

POSTCARD
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THE GLOBAL NEWSPAPER
Edited in Paris
Printed Simultaneously in
Paris, London, Zurich,
Hong Kong and Singapore

Herald Tribune

Published With The New York Times and The Washington Post

Algeria	1.50	Algeria	1.50
Argentina	1.50	Argentina	1.50
Australia	1.50	Australia	1.50
Bahamas	1.50	Bahamas	1.50
Bahrain	1.50	Bahrain	1.50
Belgium	1.50	Belgium	1.50
Bolivia	1.50	Bolivia	1.50
Brazil	1.50	Brazil	1.50
Bulgaria	1.50	Bulgaria	1.50
Canada	1.50	Canada	1.50
Chad	1.50	Chad	1.50
Cuba	1.50	Cuba	1.50
Czechoslovakia	1.50	Czechoslovakia	1.50
Denmark	1.50	Denmark	1.50
Egypt	1.50	Egypt	1.50
France	1.50	France	1.50
Germany	1.50	Germany	1.50
Ghana	1.50	Ghana	1.50
Greece	1.50	Greece	1.50
Hong Kong	1.50	Hong Kong	1.50
India	1.50	India	1.50
Indonesia	1.50	Indonesia	1.50
Iran	1.50	Iran	1.50
Israel	1.50	Israel	1.50
Italy	1.50	Italy	1.50
Japan	1.50	Japan	1.50
Jordan	1.50	Jordan	1.50
Korea	1.50	Korea	1.50
Lebanon	1.50	Lebanon	1.50
Libya	1.50	Libya	1.50
Luxembourg	1.50	Luxembourg	1.50
Macao	1.50	Macao	1.50
Malaysia	1.50	Malaysia	1.50
Mexico	1.50	Mexico	1.50
Morocco	1.50	Morocco	1.50
Netherlands	1.50	Netherlands	1.50
Norway	1.50	Norway	1.50
Oman	1.50	Oman	1.50
Pakistan	1.50	Pakistan	1.50
Peru	1.50	Peru	1.50
Poland	1.50	Poland	1.50
Portugal	1.50	Portugal	1.50
Qatar	1.50	Qatar	1.50
Romania	1.50	Romania	1.50
Saudi Arabia	1.50	Saudi Arabia	1.50
Senegal	1.50	Senegal	1.50
Sierra Leone	1.50	Sierra Leone	1.50
Singapore	1.50	Singapore	1.50
Slovakia	1.50	Slovakia	1.50
Slovenia	1.50	Slovenia	1.50
Somalia	1.50	Somalia	1.50
South Africa	1.50	South Africa	1.50
Spain	1.50	Spain	1.50
Sweden	1.50	Sweden	1.50
Switzerland	1.50	Switzerland	1.50
Taiwan	1.50	Taiwan	1.50
Tanzania	1.50	Tanzania	1.50
Togo	1.50	Togo	1.50
Tunisia	1.50	Tunisia	1.50
Turkey	1.50	Turkey	1.50
Uganda	1.50	Uganda	1.50
Ukraine	1.50	Ukraine	1.50
United Arab Emirates	1.50	United Arab Emirates	1.50
United Kingdom	1.50	United Kingdom	1.50
United States	1.50	United States	1.50
Uruguay	1.50	Uruguay	1.50
Venezuela	1.50	Venezuela	1.50
Yemen	1.50	Yemen	1.50
Zambia	1.50	Zambia	1.50
Zimbabwe	1.50	Zimbabwe	1.50

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PARIS, TUESDAY, AUGUST 30, 1983

ESTABLISHED 1887

Begin Is Wavering On Plan to Resign; Sets Decision Today

By Edward Walsh
Washington Post Service

JERUSALEM — Prime Minister Menachem Begin of Israel, under extraordinary personal and political pressure, wavered Monday in his intention to resign from office but promised his country that he would announce a firm decision by Tuesday morning.

Leaders of the six political parties that form the government coalition, citing political and national concerns, pleaded with him for more than two hours Monday to retract his stunning announcement Sunday that he intended to leave the post of prime minister, which he has held since 1977.

When the meeting in Mr. Begin's office ended, several government officials spoke of "hope" and "a chance" that Mr. Begin would be persuaded to change his mind, but others expressed skepticism and said they expected a resignation.

Before the meeting, which Mr. Begin agreed to Sunday in response to the pleas of cabinet ministers, there was virtually unanimous agreement in the Israeli press and among political analysts that the 70-year-old leader would go through with the resignation, probably Tuesday.

[Israel Radio said Mr. Begin had scheduled meetings for Tuesday morning with Robert C. McFarlane, the U.S. special envoy to the Middle East, and Josef Burg, leader of the National Religious Party, a key coalition partner, United Press International reported.]

Uri Roess, Mr. Begin's chief spokesman, said the prime minister told cabinet ministers and other officials who attended the meeting Monday that he would consider their arguments and inform them of his decision before taking any definitive step.

"The arguments were very persuasive about the past, the present, the future," Mr. Roess said. "He finds he couldn't simply say, 'I don't want to listen to what you tell me.' Maybe that is a sign he might change his mind."

There was also considerable public speculation Monday on a likely successor to Mr. Begin, focusing mainly on Foreign Minister Yitzhak Shamir.

As Mr. Begin left after the meeting, about 100 people outside the



The body of one of two U.S. marines killed Monday in Beirut is loaded onto a helicopter.

2 U.S. Marines Killed In Heavy Beirut Battle

Compiled by Our Staff From Dispatches

BEIRUT — Shelling killed two U.S. marines in Beirut on Monday, and at least 36 Lebanese also died in the heaviest fighting in the Lebanese capital since the Israeli invasion on June 6, 1982.

Battles between the Lebanese Army and Amal, the Shiite Muslim militia, spilled over into positions of the multinational peacekeeping force for the second day. Fourteen other marines and an Italian sergeant were wounded.

Lebanese casualties in the day's fighting included 25 civilians and 11 soldiers killed and more than 100 civilians and about 60 troops wounded, the police and the government radio station reported. Shiite casualties were not reported.

The marine casualties occurred when two mortar shells hit a position they were holding near Beirut International Airport, killing one of the marines instantly and wounding four others, one of whom died about an hour later, according to Major Robert Jordan, a Marine spokesman.

The marines counterattacked with heavy weapons for the first time since arriving in Lebanon late last summer, Major Jordan said, using two Cobra helicopter gunships, 155mm howitzers and 81mm mortars against Shiite positions south of Beirut.

"The Marines continued to fire for approximately 40 minutes," he said, "and have effectively suppressed rockets and mortars that were firing on us."

The dead men were identified by the Pentagon as Second Lieutenant Donald Losey, 28, of Winston-Salem, North Carolina, and Staff Sergeant Alexander M. Ortega, 25, of Rochester, New York.

Meanwhile, the Lebanese Army met stiff resistance as it fought to gain control of Shiite neighborhoods, where Amal militiamen have been battling government troops since Sunday.

Shells fired from the mountains east of Beirut exploded throughout Christian and Muslim sectors of the city and for the first time in a year, masked gunmen, armed with automatic weapons and rocket-propelled grenades, appeared in the center of West Beirut.

By nightfall, Amal militiamen were in control of several residential neighborhoods in the Muslim part of the city, as well as all crossing intersections to predominantly Christian East Beirut.

The only army presence left in West Beirut was near Prime Minister Shafik al-Wazzan's office at the entrance to Hamra, the main commercial thoroughfare, and near the American University of Beirut, in the Manara neighborhood.

The daylong warfare erupted as the army conducted a house-to-house search in Shiite neighborhoods for gunmen who attacked a U.S.-Lebanese checkpoint Sunday, engaging the marines in their first full battle.

Street fighting quickly spread as armed men fanned out through the capital, exchanging fire with the army, the state-run Beirut Radio said.

Witnesses said militiamen shouting "Allah akbar," or God is great, captured 24 Lebanese soldiers in two armored personnel carriers after a two-hour battle in a Muslim neighborhood.

The airport remained closed for a second day because of the shelling.

Beirut Radio broadcast a warning to citizens to keep off the streets. It also said the government had ordered the army to halt all operations against the militiamen so Amal leaders would release captured soldiers and armored personnel carriers.

The eruption of heavy and widespread fighting came as Israeli troops, stationed in the mountains near here, were preparing a withdrawal from the area to more secure positions further south along the Awali River.

The Shiites have accused the government of President Amin Gemayel of favoring the Christian militias that fought against the Muslims and their Palestinian allies in the 1975-76 civil war.

"It is a big lie," he said. "We didn't do it. I want to clear it up. We don't attack the Marines. We appreciate their job here with the international force and we have good relations with them all over."

The latest deaths bring to three the number of marines killed since the peacekeeping contingent arrived in Lebanon 11 months ago. A marine was killed when he stepped on a land mine last year.

The marines are part of a 5,400-man peacekeeping force that includes French and British troops as well as the Italians. They landed in Beirut last August during the evacuation of Palestinian rebels.

They were withdrawn in September after the completion of the evacuation but quickly returned when hundreds of civilians were massacred in two refugee camps. The killings were blamed on Lebanese Christian militiamen.

U.S. Links Syrian Policy On Lebanon to Deaths

By David Hoffman
Washington Post Service

SANTA BARBARA, California — The Reagan administration said Monday that the attack on U.S. marines in Beirut was an outgrowth of Syria's refusal to withdraw from Lebanon and of its influence over religious factions that apparently fired on the U.S. outpost.

A senior administration official, who asked not to be identified, said Syria had taken on the "spoiler role" in Lebanon peace efforts "with encouragement from the Soviets."

The criticism of Syria came as President Ronald Reagan, vacationing at his ranch near here, ordered high-level meetings in Washington on Tuesday to review the situation in Beirut.

Vice President George Bush, flying back to Washington from a vacation in Maine, was to head the national security working group, which also included Secretary of State George P. Shultz and Defense Secretary Casper W. Weinberger.

The deputy White House press secretary, Larry M. Speakes, read a statement to reporters after talking with Mr. Reagan at his ranch. "We are shocked and grieved by the deaths of the U.S. marines in Lebanon," the statement said.

"We condemn those who are responsible for the continuing violence which has claimed many victims, including our own marines,"

Mr. Speakes said. "Once more we call on all elements to end this senseless violence and unite behind the Lebanese government to restore national harmony."

Referring to the U.S. marine force stationed in Lebanon, Mr. Speakes said "it is our intention that they will stay there to perform this peacekeeping role that they were sent there, and that they have been largely successful in doing."

Mr. Speakes said Mr. Reagan was awakened at 1:55 A.M. by his national security adviser, William P. Clark. Mr. Reagan conferred by telephone Monday with Mr. Shultz and Mr. Weinberger, Mr. Speakes said.

Mr. Speakes also announced that the administration has "under review" the provisions of the War Powers Act. When the marines were sent to Lebanon last summer, the White House said it did not believe hostilities were imminent.

If such hostilities are expected, the president must notify Congress under a procedure giving Congress 60 days to disapprove a U.S. engagement. Mr. Speakes said Monday the 60-day provision has not been triggered but that the White House was "consulting" with Congress.

On the question of Syria's role, one official said, "It's obvious the Syrians have motivations."

He said one motive was a desire

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Prime Minister Menachem Begin listens to arguments against his resignation at a meeting of government leaders.

Pro-Zia Crowd Attacks 8 Foreign Journalists

By William Claiborne
Washington Post Service

KARACHI, Pakistan — A crowd of supporters of President Mohammad Zia ul-Haq attacked eight foreign journalists covering an opposition rally here Monday. After the reporters were in protective custody in a police compound nearby, a bomb was thrown inside, injuring at least four and possibly eight Pakistanis.

The attacks appear to have been spurred by articles in state-controlled Pakistani newspapers accusing a British Broadcasting Corporation correspondent of inciting protesters Sunday near the northern Sindh province town of Larkana.

The police substation in the northern Karachi neighborhood of Liaquatabad was surrounded for one and a half hours by a crowd of several hundred Zia supporters chanting slogans against the foreign reporters.

A crowd also turned on two leaders of the Movement for the Restoration of Democracy who had submitted themselves for arrest as an act of defiance against martial law. The police rescued the opposition leaders and drove them to an unspecified location.

The bomb that was thrown into the police compound exploded about 20 yards (18 meters) away from where several foreign reporters were standing with a number of plainclothes police officers. Several of the officers were injured, two

U.S. Veterans Aid Salvadoran Troops

'Adventurers' Provide Private Military, Medical Training

By Robert J. McCartney
Washington Post Service

SAN SALVADOR — A group of U.S. veterans from the Vietnam War and military buffs who call themselves "adventurers" has visited El Salvador twice this year to give private military and medical training to Salvadoran troops.

The group, made up primarily of editors of Soldier of Fortune magazine, instructed Salvadoran soldiers in skills ranging from machine-gun marksmanship to water purification.

Members said they accompanied Salvadorans on at least three combat patrols as observers, carrying only pistols for self-defense, and did not fire any rounds.

"Don't call us mercenaries," said Alexander McColl, who participated in the visits in April and August. Mr. McColl stressed that the group volunteered its services to the Salvadorans and that expenses were covered by the magazine.

A U.S. Embassy spokesman, Donald R. Hamilton, said the group neither sought nor received official U.S. authorization to help the Salvadoran government in its battle against leftist guerrillas.

But his comments suggested that the embassy was pleased by the unofficial advisers' work because it constituted the sort of nongovernmental initiative that President Ronald Reagan has frequently lauded.

"We want to encourage private, voluntary efforts to help the Salvadorans," Mr. Hamilton said.

Soldier of Fortune calls itself a magazine for "professional adventurers" but does not specify what sort of adventure is intended.

It contains articles giving first-hand accounts of current events, reminiscences of combat in Vietnam, political analyses with a strong anti-Communist tone and technical descriptions of small arms. Its advertisements are oriented toward weapons, and its classified section includes numerous ads offering services of "experienced" mercenaries.

Mr. McColl said that members of the group had briefed embassy military personnel on how well Salvadoran soldiers fought in the field. He said they "not want some people" from the embassy's military section and "told them what we knew and saw."

Mr. McColl, who was interviewed by telephone in the magazine's offices in Boulder, Colorado, said he is a Vietnam veteran, a colonel in the Special Forces of the Army Reserve and Soldier of Fortune's director of special projects.

U.S. military advisers in El Salvador are barred by their superiors from traveling in combat areas and thus from judging the Salvadorans' performance first-hand. As a result, members of the magazine group said, U.S. military personnel were happy to hear the opinions of observers with experience in the U.S. armed forces.

"Any contacts between this embassy and the Soldier of Fortune people have been informal, unofficial and at their request," Mr. Hamilton said.

Roberto d'Ambrusio, the rightist president of El Salvador's Constituent Assembly, said last week he would prefer retired U.S. military personnel as trainers rather than additional official advisers.

The magazine's volunteer advisers said they were private citizens who wanted to fight communism.

Their April trip, in which nine "adventurers" visited El Salvador for 10 days, yielded an "Expanded Central America Edition" of the magazine in September.

The group was led by the editor and publisher of the magazine, Robert Brown. Members said they gave short courses in sniping, explosives and weapons maintenance.

The group reportedly also taught Salvadorans to treat battlefield wounds. Editors of the magazine head a foundation that sent teams to El Salvador in June and July to provide medical care for civilians and to train soldiers in first aid.

One photograph in the September issue showed a smiling Salvadoran soldier draped in bandoliers. The caption read, "Airborne gunner after he blew away two Gs." In the magazine's parlance, "Gs" are enemy guerrillas.

■ Talks Held in Bogota

Representatives of the Salvadoran government and leftist guerrillas met Monday for their first talks since the civil war in El Salvador began more than three years ago. United Press International reported from Bogota.

"This is another step in the search for a political solution in El Salvador," Oscar Bonilla, a rebel leader, said before the meeting. "This is a historic moment and should allow us to find agreement on the points for a later meeting between both parties."

Mr. Bonilla and Carlos Molina, representing the Democratic Revolutionary Front, the rebels' political arm, met with Francisco Quinones and Bishop Marcos Revelo of the Salvadoran Peace Commission in the office of President Betsileo Betancur of Colombia.

Shultz and Gromyko to Meet Next Week at Madrid Talks

The Associated Press

WASHINGTON — Secretary of State George P. Shultz of the United States will confer with Foreign Minister Andrei A. Gromyko of the Soviet Union in Madrid next week, the State Department announced Monday.

The State Department spokesman, Alan Romberg, said the agenda had not been worked out but that likely topics of discussion include the Geneva arms control negotiations and a possible U.S.-Soviet summit meeting.

Mr. Shultz and Mr. Gromyko will be attending a foreign ministers' meeting in Madrid, Spain has



A Lebanese Army soldier is treated roughly after being captured by members of a Moslem militia unit in Beirut.

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U.S. May Set New Computer Trap for Tax Evaders

By David Burnham
New York Times Service

WASHINGTON — The Internal Revenue Service is about to test whether computerized information about the lifestyles of American families can be used to identify people who do not pay their income tax.

The information includes the neighborhoods in which families live, how long they have lived there and the model and year of the cars they own. It will be supplied by private marketing companies, which compile such data from the publicly available records of telephone companies, motor vehicle departments and the Census Bureau.

If the new way of targeting people who pay no taxes is successful, the IRS plans a second experiment to determine whether the same procedures can be used to spot those who underpay.

The attempt to use lifestyle information to estimate the annual incomes of households, and thus help the revenue service select people for further investigation, reflects the agency's increasing concern about the growth in failure to pay taxes.

According to the latest government report on compliance, the number of people and corporations not paying their income taxes has been gradually increasing in recent years. People who did not file any income tax returns in 1981, for example, are estimated to have reduced government revenues by about \$3 billion that year. In 1973, such people are estimated to have owed the government about \$1 billion.

The IRS estimated that in 1981 the total of taxes not paid by corporations and people engaged in legal activities was \$81.5 billion.

The new attempt to find offenders is made possible by the increasing power of government and commercial computers to store enormous amounts of information and to manipulate this information at a very small cost.

Walter E. Bergman, the revenue service's deputy assistant commissioner for planning, finance and research, explained the concept to be tested.

"The idea is, we'll take a list of individual households and their estimated income and match it against a computerized list of all taxpayers," he said. "If the check suggests a family hasn't paid, we'll make an inquiry to find out why. This is no big deal."

Robert Ellis Smith, publisher of a periodical called the Privacy Journal, disagreed.

"The IRS experiment is very troublesome," he said. "While I am quite sure it does not violate the law, it graphically demonstrates the growing links between government and private computers. National lists of households and their incomes obviously are sufficiently accurate for soliciting business, but that doesn't mean they are precise enough to trigger investigations."

Mr. Bergman denied that a system in which the estimated incomes of all Americans were compared with their tax returns would undermine the principle that law enforcement should focus on people it suspects of committing a specific crime. "The allegation that we are considering people guilty before their day in court, I can't see that at all," he said. "And besides, the Revenue Code gives us a statutory mandate to periodically inquire after the liabilities of taxpayers, to conduct canvassing operations."

The official said the test to determine whether lifestyle information can be used to target delinquent taxpayers would start within the next few months. It will take at least a year and a half to complete and will be conducted in six of the agency's 60 districts, he said.

"There are a number of questions we have to look at about this concept," Mr. Bergman explained. "First, the list of households provided by the private companies

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Soviet Tells Italy That U.S. Rockets Would Make Arms Talks Meaningless

The Associated Press
ROME — Yuri V. Andropov, the Soviet leader, said in a letter delivered Monday to Prime Minister Bettino Craxi that nuclear arms negotiations would "lose their meaning" if new NATO missiles were installed in Western Europe.

The proposal, for the first time, offered to destroy Soviet intermediate range-range missiles above that level rather than simply remove them from Western Europe.

The United States and West European leaders have greeted the offer cautiously, arguing that it did not meet key Western objectives.

The Soviet leader also warned in the letter that his country would take "necessary countermeasures" if the 572 U.S.-built cruise and Pershing-2 missiles are deployed in five West European nations.

"As long as the new American missiles are not installed in Western Europe, an agreement is possible," Mr. Andropov said in the letter, delivered to Mr. Craxi by the Soviet chargé d'affaires, Yun Karlov. The text was released by the prime minister's office.

The Soviet Union has deployed about 350 SS-20 missiles, each equipped with three nuclear warheads, in the Soviet Union. About 250 are in the European part, the rest are in Soviet Asia. The North Atlantic Treaty Organization has argued that the new U.S. missiles are needed to restore the balance between the Eastern and Western blocs.

Mr. Craxi said after receiving the letter that he found Mr. Andropov's latest missile proposal interesting, but he did not endorse it. A statement by the Foreign Ministry said of the brief meeting with the chargé d'affaires:

"Craxi underlined the interest of the Italian government for the new proposal, which clarifies one part of the problems that are the topic of discussion in current negotiations."

It said that Mr. Craxi "also confirmed the will of Italy to contribute, along with its allies, to the positive search for an accord that proves to be satisfactory for all parties and that constitutes an element of consolidation in the organization of peace and security."

The letter was one of the first direct appeals to a European leader from Mr. Andropov since he made his proposal Friday. West Germany also said it had received a letter.

Mr. Andropov said in his communication to Mr. Craxi that if the installation of the new U.S. missiles starts, "negotiations now under way will lose their meaning."

Italy and West Germany will be among the first NATO nations to deploy the medium-range missiles if U.S. and Soviet negotiators fail to reach an accord on arms reductions in Geneva.

Italy is scheduled to deploy 112 cruise missiles early next year. "In response to the attempt by the U.S.A. to break the global and regional balance of power in its favor, the U.S.S.R. and its allies will be constrained to take the necessary countermeasures," Mr. Andropov wrote.

A breakdown in negotiations, he said, would cause a "sudden growth in the level of nuclear confrontation and respectively an increase in the nuclear danger."

"Nobody will win from such a development, but all will lose," he said.

In Bonn, the government said it had studied the Andropov proposal reported Friday and had found several positive points, but it repeated its allegation that Moscow was blocking progress at Geneva.

The government spokesman, Peter Bönisch, declined to say whether West Germany believed the Soviet proposal would lead to a breakthrough in Geneva. However, he said, the proposal contained positive advances in the Soviet position.

"First, the offer of genuine reductions," he said. "Second, the offer to destroy SS-20s. Third, the indication of preventing an additional threat to the Far East. Fourth, the factual admission of Soviet supremacy vis-à-vis Western Europe."

Also positive, he said, was that "the Soviets have finally met our request and said precisely what in their opinion should be done."

Negative in the offer was that "the Soviets insist on including the British and French systems in the Geneva negotiations and thus keep on blocking these negotiations."

U.S. Links Syrian Policy On Lebanon to Deaths

(Continued from Page 1)

to prevent the Lebanese Army from moving into positions in the Chuf Mountains evacuated by the Israelis. He also said the Syrians "could be" seeking the withdrawal of the 1,200 U.S. marines in the multinational peacekeeping force.

The administration stopped short Monday of saying that Syria was directly responsible for the violence that killed the two marines. But it issued strong public and private statements critical of Syria in the aftermath of the attack.

Mr. Spenske, briefing reporters, said "it is quite evident that the missing link in the peace process is Syrian refusal to withdraw." He said there is "no misunderstanding" of the close relationship between the Syria and the Soviet Union and the Syrian influence over the religious factional groups in Lebanon that apparently launched the attack.

It was also learned Monday that U.S. officials are leaning against any increase in the number of marines in the multinational peacekeeping force. The government of Lebanon has asked for an expansion of the force.

It was understood from official sources that the administration is studying but has not yet reached a decision on possible redeployment of the marines elsewhere in Lebanon. Officials are said not to have ruled out any options on a limited expansion of the role of the marines.

Congressional Ruling Urged

Earlier, news agencies reported from Washington:

The chairman of the House For-

ign Affairs Committee said Monday that Congress should decide under the provisions of the War Powers Act if U.S. troops should remain in Lebanon and risk suffering more casualties.

Representative Clement J. Zablocki, Democrat of Wisconsin, said Mr. Reagan should report to Congress on the situation under the terms of the War Powers Act.

Meanwhile, Senator Barry M. Goldwater, Republican of Arizona, and G.V. Montgomery, Democrat of Mississippi, who both are conservative members of congressional Armed Services committees, said the deaths Monday of the two marines should prompt the United States to withdraw its peacekeeping force.

Mr. Zablocki, in a telephone interview from his home in Milwaukee, said Mr. Reagan had skirted the requirements of the act when he first ordered U.S. Marines into Lebanon.

"At the time, it is my understanding, the president said if there were casualties he would review his position," Mr. Zablocki said. "At the present time, I believe that it is incumbent upon the president to reassess the deployment and to provide a report under the provisions of the War Powers Act."

"If he reports under the proper provision of the War Powers Act this would have the clock running for legislative action on the part of the Congress — 60 days."

Mr. Zablocki said it is too early to predict whether Congress would agree to allow the troops to stay in Lebanon.

"I'm not prepared to say that they should be removed because I don't know the details," Mr. Zablocki said. "If they were caught in cross fire and were not in direct conflict or confrontation with the military that is one matter. If they have had an exchange of fire then that's a confrontation. We'll have to wait and see details of the report."

Mr. Goldwater said through a spokesman in Washington:

"The United States has no business playing policeman with a handful of marines. I said months ago marines will be killed. I say again more will be killed. We should bring them home."

Mr. Montgomery said the United States should "rethink its position" in view of the incident and the lack of progress in halting the factional fighting in Lebanon.

"Even before the marines were killed, I had expressed concern that some of them could be hurt or killed because of the continued fighting among the various factions in the area," Mr. Montgomery said.



Horse-racing enthusiasts studying forms at the Hippodrome in Moscow. Below: fans pressing the rails as trotters competed at the track, where illegal bookmakers thrive.

Work Ethic Is an 'Also-Ran' in Moscow

Racing Fans Find Andropov's New Discipline Too Sober

By John F. Burns

New York Times Service

MOSCOW — It is not Belmont Park or Hialeah. But where it matters — out on the track and among bettors jostling each other at the rail — Moscow's Hippodrome offers all the fun, the intrigue, the triumph and despair of horse racing everywhere.

Like many public places in the Soviet Union, the Hippodrome is tacky. The stucco facade of the grandstand is peeling, and the upkeep of the stairwells, corridors and washrooms is abysmal. Yet there are few complaints from the clientele, perhaps because the dark spaces are ideal for transactions with illegal bookmakers.

So it is with the horses and riders, few of whom look like they would attract short odds elsewhere. Whether the competition is flat racing or in harness, the horses generally lack the sculptured limbs and fine sheen that seize the eye in paddocks in the West. The riders, too, seem a motley lot, with faded silks, headgear that ranges from hockey helmets to hard hats and a tendency, among the slower, to sandbag it much of the way home.

But any Wednesday or Friday evening, and all afternoon Sunday, the grandstand and the terrace in front of it are filled with enthusiasts, many of them busily studying the form or trading tips.

Although the Kremlin spires punch the skyline less than three miles (4.8 kilometers) away, thoughts of Yuri V. Andropov and his campaign for heightened work discipline and sobriety seem far from the track.

Earlier in the year, Mr. Andropov's tougher attitudes appeared likely to thin out the crowd. In the weeks that the Kremlin had police squads scouring food stores, movie lines and other public refuges for people staying away from work, attendance at the Hippodrome dropped. Now, with the police on other assignments, the crowd is back.

Not only are the fans pressing the rails, but a fair number show signs of having enjoyed a drop or more of vodka.

Bear is available at counters beneath the grandstand and, for those with stronger tastes, there is a thriving trade in black-market liquor, supplied by runners who wrap it in copies of Pravda or Izvestia.

Throughout the 10-race program, the blue-shirted *militiya*, the uniformed police, stroll the ter-

race and keep an eye on what is going on. Yet rarely do they interfere with the bottle trade. "What's the use?" one of them said recently. "Better that they drink here, where we can watch them, than on the subway trains or in the parks. They're really not doing any harm."

A similar attitude seemed to govern the police approach to the illegal bookmakers. Two years ago, a crackdown seemed on the way. But this summer the bookies have been operating with their old impunity, often a few feet from policemen.

"Ah, them," said one of the bookies, asked if the police bothered him. "Not at all — in fact some of them aren't above a little wage themselves."

There is an official totalizer, or tote, whose efficiency has been upgraded this year with the introduction of computerized betting. It offers bets to win and place, along with doubles and triples, and the odds allow for substantial winnings.

Along with the computer terminals at the betting windows, the Hippodrome has installed a Japanese closed-circuit television system to allow bettors to watch the race and replays. This has been a big success, with crowds pressing in on the monitor during replays of

closely contested races, arguing tactics and the merits of decisions by the stewards.

"He was asleep!" a disgruntled loser wailed, castigating a jockey. Or "What's he riding, a dog or a horse?"

Still, the tote continues to lose a large chunk of business to the bookies. The bookies accept bets as low as 10 kopeks, the equivalent of 13 cents, while the tote, until it lowered its minimum to 50 kopeks earlier this year in an attempt to meet the competition, was charging a one-ruble minimum.

Private bookmaking is subject to a potential penalty of up to five years in prison under criminal provisions forbidding private enterprise. The penalty is rarely applied, and the common sanction is a fine.

Watching the bookies is an education in the aptitude of Russians for entrepreneurship, given the chance. Unlike many of the bettors, who tend to be somewhat down-at-heel, the bookies generally turn out well-dressed.

The better gets his choice and his name. The bet is scribbled on a slip of paper that disappears into the bookie's pocket. Money changes hands, but there are no betting slips. According to frequent bettors, the honor system is almost never abused.

U.S. May Catch Tax Evaders By Tracking Their Lifestyles

(Continued from Page 1)

does not have Social Security numbers, so the matching with the tax returns will have to be done by name and address. This may not work. Second, many households file more than one income tax return. Third, there sometimes is a difference between an individual's wealth and an individual's income that may cause problems. Finally, it remains to be seen whether the estimated income figures are suffi-

ciently accurate for our purposes and, if they are, whether the targeting results in a significant increase in our collections."

In addition to testing the value of commercially developed lists of estimated income, Mr. Bergman said, the IRS is experimenting with using computerized public records to track down people who fail to pay capital gains taxes they owe from the sale of real estate.

This second approach is based on information collected from the records of deeds in counties all over the country by a Florida company, Real Estate Data Inc.

Mr. Bergman said that the IRS had purchased the information drawn from the deeds filed in two counties and was now seeking to determine whether it would help the government identify people who avoided the taxes they owed on the sale of property.

Forgery Suspects Arrested

The Associated Press

PARIS — Police arrested six persons and seized counterfeit equipment here Friday as the suspects were preparing to run off \$12 million to \$15 million in bogus \$50 and \$100 bills, French officials said Monday.

WORLD BRIEFS

Chad Rejects Rebel Call for Talks

NDJAMENA, Chad (Combined Dispatches) — The rebel forces that are in control of northern Chad called Monday for a reconciliation of all Chadians, but the government rejected the plan's suggestion of direct talks.

Information Minister Soumaila Mahamat said direct negotiations were out of the question because "we do not know this rebel government. They do not exist. We cannot talk to anyone that does not exist." The rebel statement broadcast Monday said Goukouni Oueddei, the insurgent leader, would agree to talk with President Hissène Habré under the auspices of the Organization of African Unity provided that Mr. Habré was prepared to deal in good faith.

The rebel broadcast also rejected a proposal made by President François Mitterrand of France last week for a federated Chad state that could lead to the partitioning of the country. The rebels also said negotiations could only take place after France withdrew troops from Chad.

Talks Go on in French Jet Hijacking

KUWAIT (Combined Dispatches) — Four hijackers continued to hold an Air France jet with 17 hostages aboard at Tehran's Mehrabad Airport on Monday as negotiations brought no sign of a breakthrough, officials said.

The Arabic-speaking hijackers, who seized the Boeing 727 on Saturday during a flight from Vienna to Paris, talked through an interpreter with French and Iranian negotiators in the airport control tower. A sick French couple was allowed to leave the plane briefly for treatment.

Tehran radio said the hijackers, who had guns and grenades, threatened Sunday afternoon to blow up the plane unless France acceded their demands to release Lebanese prisoners in French jails within 48 hours and justify French policy in the Iran-Iraq war, the Chad conflict and the Lebanese crisis.

Japanese Military Seeks More Arms

TOKYO (Reuters) — The Japanese Defense Agency said Monday that it was seeking a 6.9-percent increase in next year's budget to improve air and naval defense. The agency has asked for 2.9 trillion yen (\$11.5 billion), or 6.9 percent more than in fiscal 1983.

Japan's shopping list for the navy, which will take on the role of protecting sea lanes up to 1,000 miles (1,600 kilometers) from the coast, includes Orion anti-submarine planes. The new purchases will bring the number of Orions in Japan to 43.

The air force wants to buy 21 F-15 Eagle jet fighters from the United States and the army wants 75 main battle tanks, 18 203mm self-propelled guns and five anti-tank helicopters.

Agent Orange Findings Called Normal

WASHINGTON (UPI) — A major study shows that 85,000 Vietnam veterans examined for ill effects resulting from possible exposure to Agent Orange, an herbicide containing dioxin, have not shown unusually high rates of illness, a government scientist disclosed Monday.

The study, to be released Tuesday by the U.S. Veterans Administration, will report that the veterans have experienced "a wide variety of health problems, but the kind we see in a population of males growing older," said Dr. Alvin Young of the agency's Agent Orange Project Office.

"Nothing stands out as dioxin-caused," he said of the chemical that some researchers suspect of causing cancer in humans. He warned, however, that "we aren't saying there isn't an Agent Orange effect," because veterans tested at 173 VA hospitals would have been exposed to the herbicide 10 to 15 years ago. "That may not be long enough for certain kinds of cancers to develop," he said.

Hanoi Pledges Cease-Fire With China

HONG KONG (Reuters) — Vietnam announced Monday it would unilaterally observe a cease-fire it has proposed along its border with China.

Vietnam made the proposal to China Aug. 19, but Beijing had not yet responded, the Vietnam News Agency said. The agency, monitored in Hong Kong, quoted a Foreign Ministry statement reiterating the call for a cease-fire from Aug. 30 to Oct. 8, enabling both countries to celebrate their national day anniversaries peacefully. Vietnam's national day is Sept. 2 and China's is Oct. 1.

The statement said the Vietnamese proposal could create a favorable atmosphere to settle differences.

Shagari Party Leads Voting for House

LAGOS (AP) — The dominant National Party of Nigeria took an early lead in returns from Saturday's elections for federal representatives, taking 46 of the first 96 seats declared, Radio Nigeria reported Monday.

The government-operated newspaper, New Nigeria, said in its Monday editions that, judging from the initial returns, the National Party "appears to be heading for another landslide win."

The party, led by President Shugu Shagari, registered strong victories over the five opposition parties in three previous general elections this month. The House of Representatives has 450 seats, and strategists for the National Party say they expect it to win as many as 300.

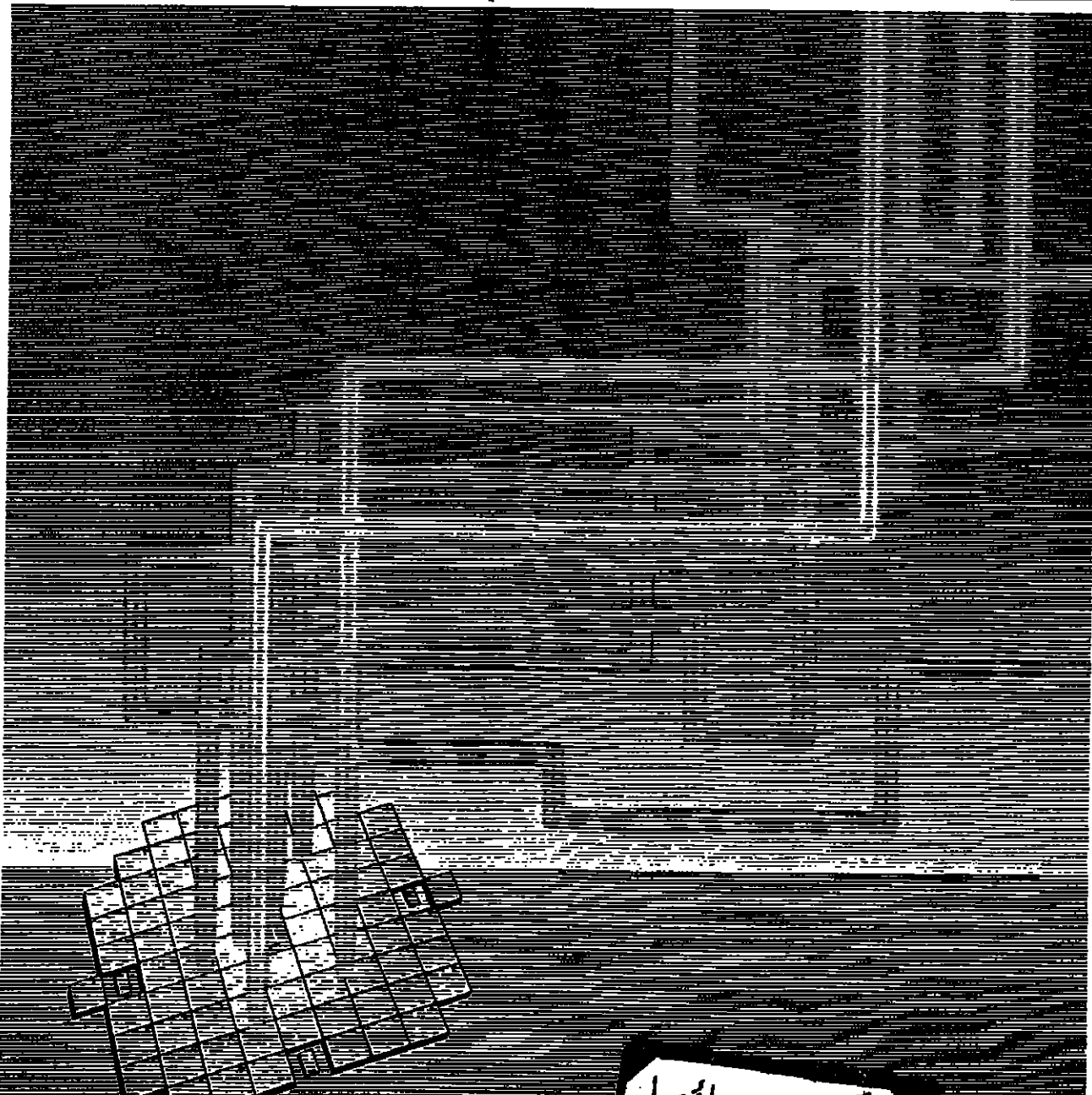
For the Record

BONN (Reuters) — Former Chancellor Helmut Schmidt will meet the East German leader, Erich Honecker, during a private visit to East Germany next weekend, informed sources said Monday.

NAIROBI (AP) — Daniel Arap Moi, who succeeded the late President Jomo Kenyatta in 1978, won a second five-year term as head of state on Monday. There was no opposition because only one presidential nominee is permitted from each party and Kenya is a de facto one-party state.

THE HAGUE (Reuters) — A 12-mile exclusive fishing zone off the Dutch coast will come into force on Oct. 1, bringing into operation a European Community fishery ministers' decision made earlier this year, the Ministry of Agriculture and Fisheries said Monday.

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Mourners Jam Streets in Philippines

Police Placed on Alert For Funeral of Aquino

Compiled by Our Staff From Dispatches

MANILA — Crowds of mourners, many of them chanting and raising clenched fists, crowded the route of Benigno S. Aquino Jr.'s funeral procession from Tarlac to Manila on Monday, seeking a final glimpse of the slain Philippine opposition leader.

Mr. Aquino's body, dressed in the clothes he wore Aug. 21 when he was shot after leaving a plane at Manila International Airport, was placed in the Santo Domingo Roman Catholic Church in Quezon City until the funeral Wednesday. Cardinal Jaime L. Sin, the archbishop of Manila and a leading critic of President Ferdinand E. Marcos's human rights policies, is scheduled to say the funeral Mass.

Intelligence officials in Manila, meanwhile, confirmed that the police were placed on alert in preparation for the funeral. A police spokesman said all leaves had been canceled and members of the metropolitan Manila force were on 24-hour standby.

The government commission set up to investigate Mr. Aquino's death announced Monday that it was postponing for a second time the opening of public hearings. The initial session had first been scheduled for Monday, then changed to Wednesday.

Chief Justice Enrique M. Fernando of the Philippine Supreme Court, the commission chairman, said the latest postponement to Thursday or Friday was necessary because Mr. Aquino's funeral was to be held Wednesday and because a suitable general counsel had not been found for the proceedings.

Reuben Canoy, an opposition assemblyman, asked the National Assembly on Monday to demand the resignation of Mr. Marcos, saying the assassination of Mr. Aquino was "blatant" public confidence in his government.

Mr. Canoy submitted a formal resolution, but such opposition moves usually die in committee. Mr. Aquino's body has been on public display for eight days and has been viewed by hundreds of thousands of Filipinos. The body has been transported nearly 200 miles (320 kilometers), from Manila to Tarlac and back.

The opposition leader was shot as he returned from three years of self-exile in the United States. He was sentenced to death six years ago on murder, subversion and weapons charges, but was allowed to go to the United States for heart surgery.

Although Mr. Aquino faced arrest and possible execution by firing squad, he returned to lead what he called a nonviolent campaign for the restoration of democratic rights and national reconciliation.

Another man who was shot at the scene and whom the government has said killed Mr. Aquino has still not been identified by the authorities. The Sunday Times of London identified him as Rolando Vizcarra, a former member of the presidential guard.

Roman Catholic Church sources said Monday that Mr. Marcos may soon release some political prisoners. Mr. Aquino's wife, Corason, has said that Mr. Marcos should release all political prisoners if he sincerely wants to offer condolences to her family.

The sources said, however, that Mr. Marcos may be releasing a number of prisoners to coincide with his 66th birthday on Sept. 11.

60 Sikhs Hurt Attacking State Offices
Compiled by Our Staff From Dispatches
NEW DELHI — Thousands of Sikhs, carrying spears and swords, attacked government offices and fought with policemen in the northern state of Punjab on Monday during demonstrations called to disrupt local government.

At least 60 Sikhs were wounded when police fired plastic bullets at a crowd attacking district administration offices at Gurdaspur town, about 280 miles (450 kilometers) northwest of here.

And at the holy Sikh city of Amritsar, Sikhs swept aside a police challenge and stormed through government offices, smashing furniture and windows and ripping files.

Similar incidents were reported from other parts of the state, where Akali Dal, a regional party representing Sikh interests, has conducted a yearlong, occasionally violent agitation to demand greater political autonomy and religious and economic changes.

In the northeastern state of Assam, a bomb damaged a railroad track, disrupting services between Nowong and Chapamkh. On the first day of a 36-hour strike called by an anti-immigrant movement.

The Press Trust of India news agency said 117 people were arrested during the day. It gave no reason for the arrests.

The movement has been trying for four years to persuade the government to deport millions of illegal immigrants from neighboring Bangladesh.

At least 3,600 people, mainly Moslem settlers, died in political and religious riots in Assam earlier this year.



Supporters of Benigno S. Aquino Jr., the Philippine opposition leader who was known as Nino, guide the hearse bearing his body on a detour through the town of Dau on Monday.

Since Aquino's Death in Philippines, Moderates Fear Political Extinction

By Colin Campbell

New York Times Service

MANILA — Filipinos seeking a nonviolent end to President Ferdinand E. Marcos's rule say they are afraid they may face political extinction.

Since former Senator Benigno S. Aquino Jr., the most popular opposition leader, was assassinated Aug. 21, his allies have been emphasizing that the armed forces of the left and right could soon leave the unarmed middle with no role to play.

"We are only 30 percent of the opposition in this country," said former Senator Salvador H. Laurel in a recent speech about Mr. Aquino to the National Assembly.

"Seventy percent is in the hills," he said, and the nonviolent opposition is "thinning out."

Many other Filipinos, including the bishops of the Roman Catholic Church, some of whose priests are known to have become guerrillas, have been voicing the same warning with increasing urgency even before Mr. Aquino's murder.

Since the assassination, the worries have deepened and have led the leaders to reexamine where they are and where they may be going.

The nonviolent opponents of the 18-year Marcos regime include a variety of Filipino whose objections to Mr. Marcos range from his authoritarian policies to corruption and poverty.

They include wealthy politicians from before 1972, when Mr. Marcos declared martial law; impoverished urban squatters; significant sections of the middle class, who resent the extraordinary powers that Mr. Marcos retained when martial law was lifted in 1981; and many Catholics who say they feel that arbitrary power, political violence and gross inequalities of wealth are immoral.

Mr. Marcos has created a dominant political party, the New Society Movement, and his public support is thought to remain strong among farmers, who have benefited from a partial redistribution of land, and others who have gained by his economic policies.

The president's control has remained all but absolute, and the moderate opposition has faced countless obstacles to their goal of a workable democracy.

For more than a decade Mr. Marcos has had the power to order the arrest of essentially anyone. Opposition politicians, journalists and many others, including Mr. Aquino, have been imprisoned on charges of subversion, and many Filipinos refuse to believe the government's insistence that such prisoners were often connected with armed insurgents.

New organizations are tightly controlled. Many newspapers and television stations are owned by friends and associates of the Marcos family, and little sustained criticism of the government appears.

In recent months, communists have lost their jobs at Bulletin Today, one of Manila's largest daily newspapers, and the editors and writers of the small-circulation WE Forum in Quezon City have been arrested for subversion and sued for libel by the military after casting doubt on Mr. Marcos's record in World War II.

Elections have always been rough and riotous, but the various polls and referendums that have been held since martial law was declared have impressed many people as fundamentally inadequate.

In 1978, for example, when the last parliamentary elections were held, there were widespread reports of stuffing of ballot boxes and of other frauds. The opposition candidates that year, led by Mr. Aquino, who campaigned from jail, failed to win a single seat in metropolitan Manila despite their obvious popularity in some districts.

Some opposition candidates won fewer votes in some precincts than they had voting members of their own families.

There is still great uncertainty about Mr. Aquino's possible replacement as the leader of the opposition, but there are several persons who could be considered his political heir.

Former Senator Lorenzo Tanada is considered too old, at 85, to be the driving force in a campaign against Mr. Marcos, yet he now commands a larger following than any other opposition leader. A founder, with Mr. Aquino, of the Laban party, he is thought to be a possible transitional figure.

Jose W. Diokno, a lawyer and Social Democrat, has concentrated on human rights rather than party politics in recent years. His advice is widely sought. He is believed to have abandoned presidential ambitions out of a conviction that his ideas are too anti-American to succeed in the Philippines during his lifetime.

Mr. Laurel, the former senator, is known to have presidential ambitions and he has become highly visible as president of the United Nationalist Democratic Organization, a coalition of a dozen opposition parties.

He is one of the few outspoken opponents of Mr. Marcos who has never been arrested and he was one of the few elected to the National Assembly in 1978.

Aquino Pimental, the mayor of Cagayan de Oro City, is widely popular and known as an efficient and articulate administrator. In 1981, he founded the Filipino Democratic Party, a progressive Catholic group that claims 10,000 members. He was recently arrested on charges of subversion.

Another leader of Mr. Pimental's party, Ramon Mitra, has a reputation as a seasoned leader and has a following among the young. He was a member of Mr. Aquino's Liberal Party before martial law and he received the nation's largest vote for senator in the 1971 elections.

Homobono Adaza is the president of the Mindanao Alliance, an opposition party based on the large southern island of Mindanao. He is also the elected governor of Misamis Oriental Province, and he helped secure the election of more than 1,500 party members as village and local officials in his area.

There has been much talk in recent days that Mr. Aquino's brother, Agapino, 44, should replace him. Meanwhile, the fear of polarization has infected political discussion. Interviews with politically active students, Catholic seminarians and community organizers revealed deep cynicism about the democratic opposition, and sympathy, in some cases, for the New People's Army, the military wing of the banned Communist Party.

The guerrillas, Mr. Adaza said, had made significant inroads in his area during the past decade. Of opposition politics after Mr. Aquino's death, he said, "nothing will be the same after this."

U.S. Pushing Anti-Missile Space Lasers

By Walter Pincus

Washington Post Service

WASHINGTON — The Defense Department is accelerating and changing the direction of its program to develop laser weapons to shoot down missiles in space, according to sources.

Most significantly, the military is switching emphasis from chemical lasers for short-range tactical use in land, sea or air battles to faster, higher-powered lasers for possible use in space.

The changes, worked out earlier this month with a House-Senate conference committee finishing the fiscal 1984 defense authorization bill, result partly from what a recent House Armed Services Committee report called technology breakthroughs in short-wavelength lasers that "could demonstrate the feasibility of a viable defensive system within five years."

But the sources said the changes were prompted primarily by President Ronald Reagan's surprise announcement in March that he wanted a major effort to create defenses against intercontinental ballistic missiles that would "give us the means of rendering these nuclear weapons impotent and obsolete."

The changes include the following: Switching research emphasis from long-wavelength chemical lasers, created by combustion, to short-wavelength lasers, created by electrical or nuclear sources.

Increasing funds for defensive weapons such as the Excalibur program promoted by Dr. Edward Teller, in which powerful X-ray lasers are created by a nuclear explosion.

Transferring the navy's mid-infrared advanced chemical laser to the Defense Advanced Research Projects Agency, where it will be used to test the vulnerability of U.S. weapons systems.

Establishing a \$25-million laser test range for the air force, army and navy at the White Sands Missile Range in New Mexico.

The administration's particle-beam program for fiscal 1984 remains unchanged, except for an additional \$7 million for the army to work on a neutral-beam technology. The program, designed to develop an electronic beam from a test accelerator, is lagging behind the laser research, according to Pentagon officials.

"We have proof of concept with lasers," an official said, "and know they will work" in an anti-ballistic-missile system. The questions about lasers, the official added, "were whether they would be lethal and affordable."

With particle beams, however, "we don't know if we can form a beam" that can destroy an incoming missile or warhead, the official said.

More changes are expected after a committee established by the Pentagon and headed by Dr. James Fletcher, former head of the National Aeronautics and Space Administration, reports to Mr. Reagan next month.

The Fletcher group of scientific experts, formed shortly after the president's March speech, is analyzing laser and particle-beam technologies and whether feasible missile defenses could be created from them.

A second Pentagon study group, headed by Dr. Fred Hoffman of the Institute for Defense Analysis, is looking into the potential impact of such futuristic weapons on arms control negotiations and relations with allies and possible responses by the Soviet Union.

Concern has been expressed among the NATO allies in Europe that Mr. Reagan's plan could result in protecting the U.S. mainland from nuclear attack while the Europeans would remain exposed to Soviet medium-range missiles.

Questions have also been raised about how such a plan would apply to existing agreements prohibiting attacks from space and limiting development of anti-ballistic-missile systems.

Space Command Proposal
Fred Hatt of The Washington Post reported: The Joint Chiefs of Staff will decide within the next four to six weeks whether to recommend the creation of a unified, four-service command for military activities in space, according to air force officials who are pushing the idea.

The unified command would coordinate all space activities for the air force, army, navy and marines, reflecting the growing importance of space for U.S. military endeavors.

However, the navy opposes the proposal and plans to create its own space command in Dahlgren, Virginia, on Oct. 1. The interservice rivalry on the issue reflects traditional competition for defense dollars as well as differing priorities on how space should be used.

Under the negotiated agreement, control of the base on the Atlantic side of the former Canal Zone, which was known as Fort Gulick, will pass as scheduled from the United States to Panama on Oct. 1, 1984.

The School of the Americas will cease to exist but will immediately be reconstituted as the Panamanian Institute of Military Sciences. The Panamanian flag will replace the U.S. flag over the school, and the new commander will be the commander of the Panamanian National Guard.

Course work will be expanded. General Paredes said, to include instructions in civil action areas as well as pure military action, but the U.S. thrust of instruction will be unchanged.

Also essentially unchanged will be the faculty, which is comprised of 131 U.S. officers and enlisted men, and 30 Latin American officers, including Panamanians, who have been sent to the school as specialist instructors.

Historically, Panamanian leftists and nationalists have opposed the presence of the school here, calling it a training center for future Latin American dictators.

The school's graduates include four officers who later became president of their countries and nine who later served as either defense ministers, army commanders or chiefs of staff.

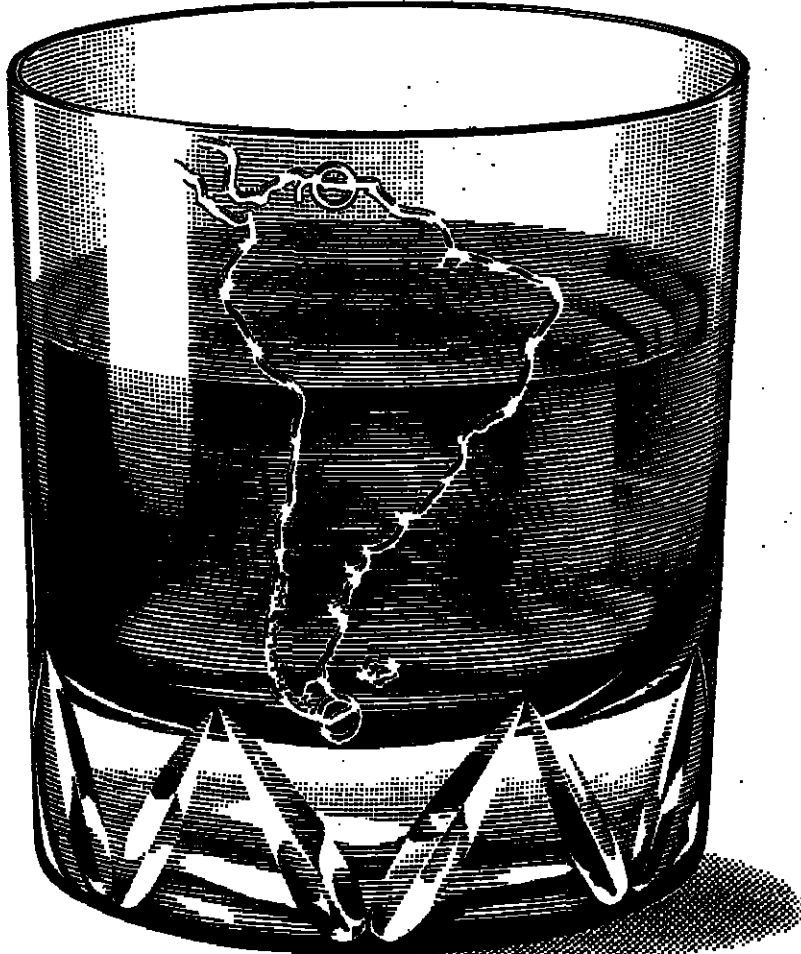
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16 in Seoul Are Held In Corporate Scandal
SEOUL — Sixteen persons, including former Transportation Minister Yoon Ja Jung, eight government officials and four bank officials, were arrested Monday for their alleged involvement in a major business scandal, according to prosecutors in Seoul.

The authorities said Mr. Yoon was charged with accepting bribes worth about \$110,000 in return for promoting the Myungsung business group. The group's president, Kim Chul Ho, was arrested Aug. 17 on fraud and tax-evasion charges and a banker was charged with illegally providing funds to Myungsung.

General Paredes said the National Guard shared the U.S. concern about the security of the region and the need for professional

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Space Shuttle's Eighth Flight Marked by 'Firsts'

Black Astronaut on Board for Initial Attempt at Night Launch and Landing

By Thomas O'Toole
Washington Post Service

CAPE CANAVERAL, Florida — The first space voyage of a black U.S. astronaut, the space shuttle's first night launch and the first planned night landing of a manned spacecraft will highlight the eighth shuttle flight, scheduled to begin early Tuesday.

The Challenger and its five-man crew are scheduled to leave Earth at 2:15 A.M. Tuesday, the first night launch of a manned U.S. spacecraft since Apollo 17 left for the moon just after midnight on Dec. 7, 1972, a takeoff that was visible to residents 500 miles (804 kilometers) away.

Challenger is to spend six days in space and return Monday night to Edwards Air Force Base in California's Mojave Desert. It is to be the first planned manned landing from space ever attempted in the dark.

Three Soviet cosmonauts made an emergency night landing in a Siberian blizzard almost 10 years ago.

A NASA spokesman said achieving the night liftoff and landing was "very critical to the shuttle program because it opens up the possibility of scheduling many future missions after dark."

The weather usually is better at night at Cape Canaveral, where there are frequent thunderstorms during summer days, the spokesman said.

Starting in January with Flight 11 most shuttle landings will be at the Cape runway.

This will be Challenger's third flight; the other five shuttle flights were made by Columbia. The flight will be commanded by Captain Richard H. Truly of the navy. He was the co-pilot in November 1981 on the second shuttle mission.

The rest of the crew includes the pilot, Commander Daniel C. Brandenstein of the navy, and three mission specialists. Lieutenant Commander Dale A. Gardner of the navy, Dr. William E. Thornton and Lieutenant Colonel Guion S. Bluford 2d of the air force, who will become the first black U.S. astronaut in space.

A Cuban, Amaldo Tamayo Mendez, became the first black in space when he flew with two Soviet cosmonauts in 1980.

On the last shuttle mission, in June, Sally K. Ride became the first American woman in space.

For Colonel Bluford, 40, a fighter pilot in the Vietnam War, special pressure is building as the launch

approaches. He is perhaps the most reluctant of the four blacks in the astronaut program to talk publicly about his role.

"The four of us never talk about my being first," Colonel Bluford said. "We all recognize that somebody's got to play this role, just like Sally had to be the first woman. It's never been something I've been running after, and it may even be better to be second or third, because then you can enjoy the experience a little more."

Colonel Bluford's job is to help deploy a \$43-million communications and weather satellite built by Ford Aerospace Co. for the government of India. The satellite is scheduled to be pushed out of the shuttle's cargo bay into orbit early Wednesday morning as Challenger crosses the equator over the South Atlantic.

The early-morning liftoff time Tuesday is dictated by the need to release the satellite into a precise "keyhole" above the equator within radio range of a tracking station at Hassan, India.

The satellite is intended to allow the Indian government to broadcast radio and television to more than 100,000 villages. It also will permit telephone communications

for the first time among remote regions of northern and southern India.

On their last four days in space, the astronauts are expected to perform a variety of experiments, including exercising the shuttle's 50-foot (15-meter) robot arm, which is built to deploy and retrieve satellites in space.

On this flight, the arm's elbow, wrist and shoulder joints are supposed to manipulate a huge aluminum structure, the Payload Flight Test Article. The test article, which weighs 8,500 pounds (3,863 kilograms) and looks like the world's largest dumbbell, is designed to demonstrate how well the arm can move heavy objects in space.

The astronauts are also scheduled to conduct the first space communication with the \$100-million Tracking and Data Relay Satellite, left in orbit on the sixth shuttle flight last April.

The communications satellite must be in working condition if the \$1-billion Spacelab built by the European Space Agency is to fly on the next shuttle flight, scheduled for Oct. 28. So many astronomical instruments aboard Spacelab will need a rapid flow of communications to and from Earth that only



The five crew members for the eighth voyage of the space shuttle are: Navy Captain Richard H. Truly, center, who is the flight commander; Navy Commander Daniel C. Brandenstein, left, pilot; Navy Lieutenant Commander Dale A. Gardner and Dr. William E. Thornton, in the back row, and Air Force Lieutenant Colonel Guion S. Bluford 2d.

The special satellite will be able to accommodate them.

If Challenger returns on schedule, it will be the first shuttle landing that the public will not be al-

lowed to see. The National Aeronautics and Space Administration does not want shuttle pilots to be confused by automobile headlights as they attempt to zero

in on the runway at Edwards Air Force Base.

The shuttle has no landing lights because they would be burned up by the heat of re-entry.

Big Cocaine Year Is Cutting Prices In Southeast U.S.

United Press International

MIAMI — The southeastern United States is flooded with cocaine, according to a drug enforcement official, and the supply is cutting "wholesale" prices drastically.

"It's mind-boggling," said Philip Jordan, deputy chief of the U.S. Drug Enforcement Administration, in referring to the increased supply.

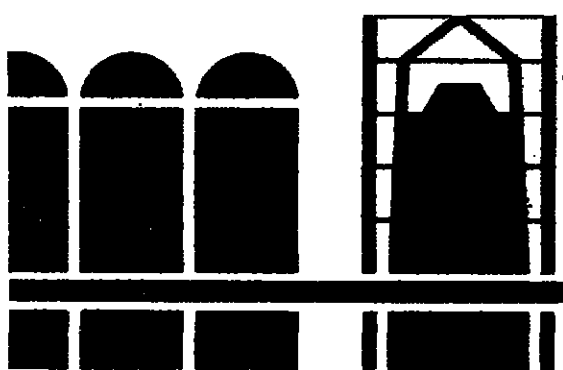
Law enforcement authorities say the current bountiful crop of coca leaves, which are refined into cocaine, was caused by South American growers' ambitious planting three years ago.

As a result, wholesale cocaine costs have dropped dramatically in recent months, and if that price cut is passed on to recreational drug users, more deaths are bound to happen. Charles Wedi, the assistant Dade County medical examiner, told The Miami Herald in an article published Monday.

In the past two years the price of the drug in Miami has fallen 50 percent, from up to \$60,000 a kilogram in August 1981 to less than \$30,000 a kilo now. The purity of street cocaine is also on the rise, further endangering users, Mr. Wedi said.

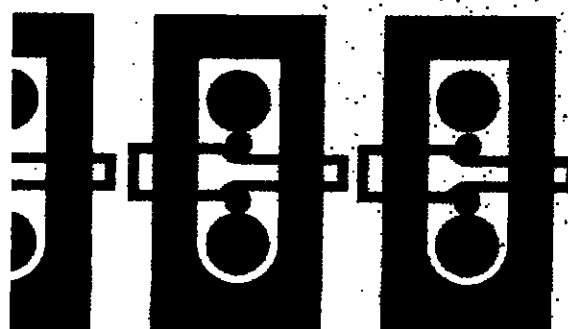
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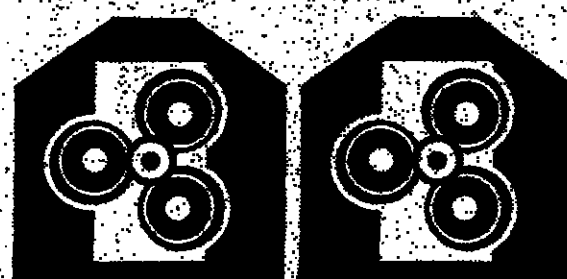
Metallurgical Plant

Integrated plant, blast furnaces, steel mills, continuous casters, electrometallurgical plant.



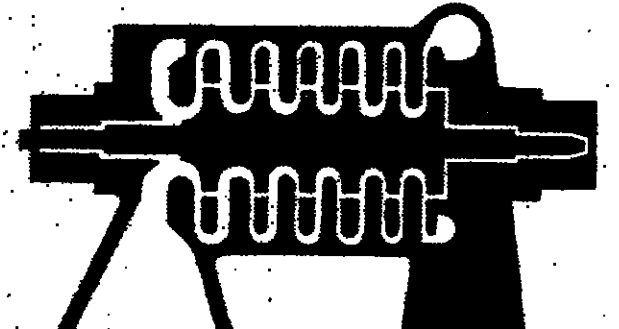
Rolling Mills

Rolling mills for beams, sections and wire-rod; strip and sheet mills; strip processing lines.



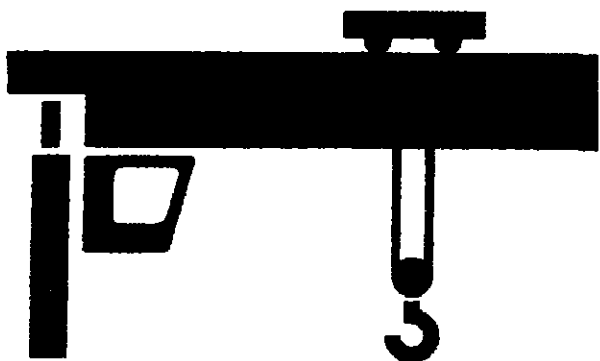
Pipe Making

Plant and machinery for the production of seamless and welded tubes and pipes. Hydraulic presses.



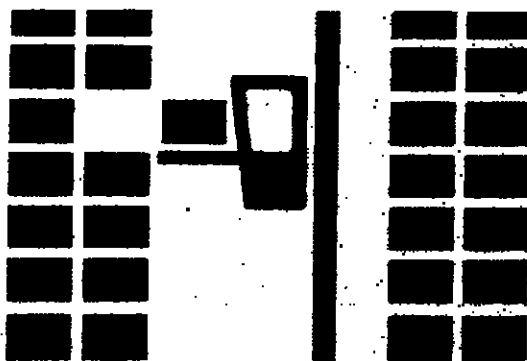
Process Compressors

Centrifugal compressors and positive displacement machines for air and technical gases.



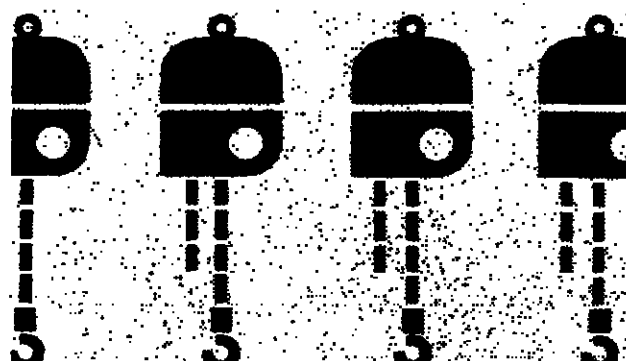
Cranes

Overhead cranes, slewing cranes and jibs, suspension cranes and track systems, and steel mill cranes.



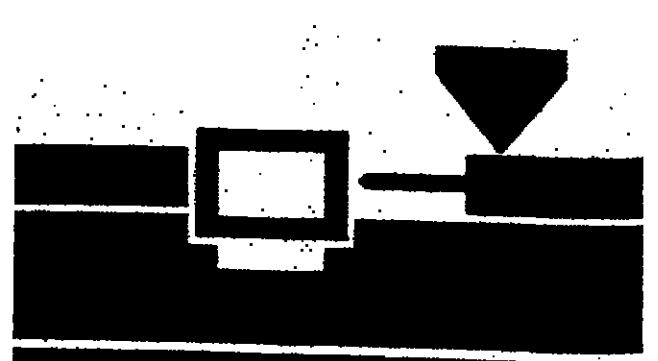
Distribution Systems

Materials handling and warehousing systems, continuous handling equipment, order pickers and rack feeders.



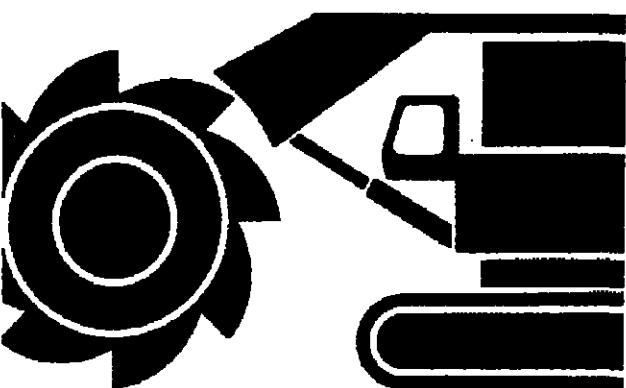
Components

Electric lifting tackle, standard crane components, load lifting attachments, drive and control components.



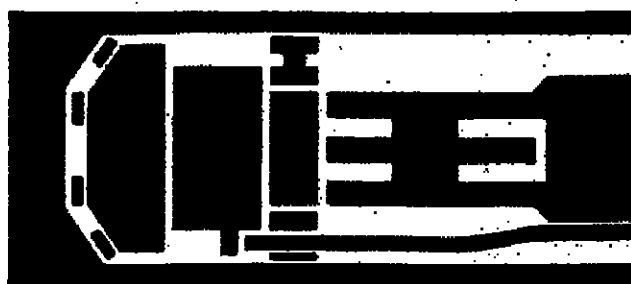
Plastics Machinery

Machinery and complete systems for injection moulding and extrusion.



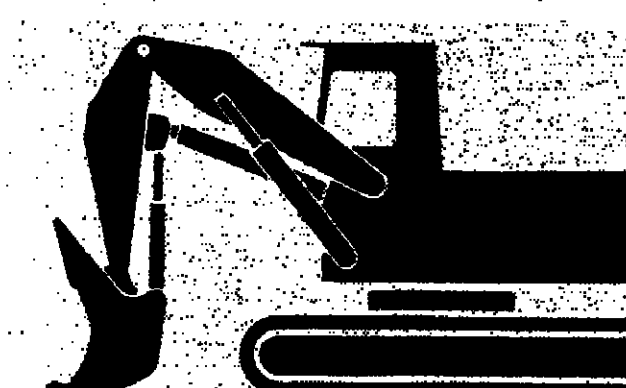
Bulk Handling

Bucket wheel excavators, reclaimers and belt conveyor systems, container handling systems.



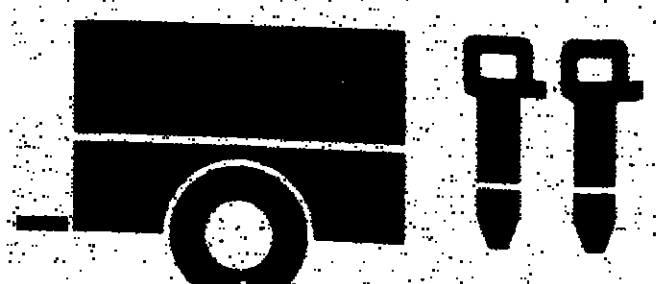
Mining Equipment

Shaft winding equipment, tunnelling machines for hard and soft rock. Compressed air motors.



Construction Equipment

Hydraulic excavators up to 21 m³ bucket capacity, mobile cranes up to 800 t, road finishers up to 12 m paving width.



Pneumatic Systems

Compressors, pneumatic tools, equipment and components for the building trade and industry in general.



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U.K. Police Look to Universities for Their Future Leaders

New York Times Service
LONDON — Gaynor Andrews, 21, received a law degree at Oxford University in June. She now spends 18 hours a day marching, attending lectures, running races, polishing shoes and pressing the uniform that she will wear when she finishes her training for the West Midlands Police.

Robin Merrett, 23, earned a law degree last year from London University's University College. He is now a policeman on the crime-ridden streets around Piccadilly Circus, not far from the libraries of his alma mater.

They are examples of the growing number of students from elite British universities who have decided to join the police after graduation. There are now 3,438 college-educated officers in England, Wales and Northern Ireland. They account for

about 2 percent of the police forces, a substantial increase over the late 1960s, when 128 college-educated police officers comprised only one-tenth of 1 percent of the forces.

Today, Britain's police forces receive job applications from more than 1,000 university students each year at graduation time, and they turn away several hundred.

The 44 police forces in England, Wales and Northern Ireland hire more university graduates than all but the largest British companies and the government health services, according to Superintendent Michael Gray, who administers the graduate entry project. The project is a fast-track program established in 1968; this year, 1,566 college students applied for the program, compared with 319 in 1978, according to Mr. Gray.

The program accepts about 25 recruits each year and normally promotes them to the rank of inspector in 5 or 6 years instead of the usual 12 to 15 years. The graduates spend one year at a special police college in southern England called Bramshill.

"We are looking for talented young officers to provide leadership within the service," Mr. Gray said. By October 1982, there were 170 officers serving in the forces under the plan.

Many more college graduates enter the police forces by the traditional route. Last year, 1,513 applicants failed to gain admission under the graduate entry program. Of these, 721 were invited to join police forces as regular recruits and 431 of them accepted the offer.

"The graduate entry scheme is overtly

elitist," said Chief Inspector David Jackson, the program's assistant administrator. The program seems to have helped stimulate student interest in the police, according to Bill Kirkman, secretary of the careers service at Cambridge University.

"In the mid-60s, very few graduates showed any interest in the police," Mr. Kirkman said. "The introduction of the graduate entry scheme put the police on the map. It was a positive affirmation that the police were a serious recruiter of graduates."

Economic motives also appear to be a factor, especially at a time when 12.5 percent of all college-educated youths face unemployment after graduation. After two years in the service, graduates can expect to earn more than the average member of the labor force.

As Turkey's Election Approaches, Military Moves Against the Press

By Marvin Howe
New York Times Service

ISTANBUL — The military government has recently taken a series of actions against Turkish newspapers and journalists in what appears to be a tightening of press controls before parliamentary elections scheduled for November.

Istanbul martial law authorities closed the influential conservative daily *Tercuman* on Aug. 10 for an indefinite period and on Aug. 16 took the same measure against the leftist daily *Milliyet*, which was allowed to reopen on Saturday while court action was initiated against two columnists, Metin Tokur and Teoman Erel.

Last weekend, the Istanbul martial-law prosecutor summoned Mr. Tokur and a *Tercuman* columnist, Nazli Ilıcak, for questioning along with their news editors.

Mrs. Ilıcak, who spent three months in jail last fall because of her campaign to restore democracy in Turkey, was informed that legal proceedings had been initiated against her on charges of inciting the people to rebellion and insulting the government. She could face 18 months to eight years in prison.

Mr. Tokur was told that he had been called in for what was described as his infringement of a regulation barring all criticism of National Security Council decisions.

In a recent article, he warned the military authorities that Western organizations such as the European Community and the Council of Europe would not accept Turkey as a real democracy if the new Social Democratic Party were not allowed to take part in the coming elections. A number of parties have been banned from taking part in the elections.

Meanwhile, a columnist for the leftist daily *Cumhuriyet*, Oktay Akbal, began a three-month sentence in Istanbul's Sagmalcilar prison on Friday for an article published last fall entitled "Our

Duties as Citizens," which criticized the draft constitution. Earlier this year, *Cumhuriyet* was shut for three weeks and its publisher was sentenced to four months in prison.

In another action, the martial law authorities shut the popular political weekly *Nokta* last Tuesday without specifying the reason. Some Turkish journalists suggested that the probable motive was a recently published interview with a leader of the conservative True Path Party, which is seen as an offshoot of former Prime Minister Süleyman Demirel's prohibited Justice Party, and which has been eliminated from the Nov. 6 election.

In general, however, most journalists have recently appeared cau-

tious and subdued, saying that they are waiting for the parliamentary elections and do not want to do anything that would jeopardize them.

When Turkey's military seized power on Sept. 12, 1980, it abolished publications of the radical right and left and kept a close check on the rest of the press through a system of self-censorship.

Legislation was passed banning any criticism of the military leadership and its decisions.

A new press code has been drafted for the postelection period, providing for the seizure of publications prior to distribution and stiff sanctions on journalists, including exclusion from the profession.

Charles S. Murphy, 74, Dies; Aide to Truman, Johnson

Washington Post Service

WASHINGTON — Charles S. Murphy, 74, a lawyer who was a White House aide to both Truman and Johnson, died Sunday of a heart ailment in Anne Arundel, Maryland.

He was assistant legislative counsel to the U.S. Senate for 11 years. Then, in 1947, Truman brought him to the White House as an administrative assistant and, in 1950, special counsel to the president.

When Truman left office in 1953, Mr. Murphy entered private law practice but returned to government in 1961 as undersecretary of agriculture.

In 1965, he was named chairman of the Civil Aeronautics Board, and in 1968 he went back to the White House as a counselor to Johnson.

José Bergamin Gutiérrez
SAN SEBASTIAN, Spain (UPI) — José Bergamin Gutiérrez, 87, a

Spanish writer of the so-called Generation of '27, died here Sunday, his family said.

After his first book, "El Cohete y la Estrella," was published in 1923, he wrote several collections of poetry and four more novels: "Yves Escenas en Angulo Rocio" (1926), "Caracteres" (1927), "Enemigo que Huye" (1928) and "La Cabeza a Pájaros" (1929). During the Franco era, he had lived abroad for many years. Recently he was working on his memoirs.

English Mansion Burglarized

Reuters
LONDON — Thieves have stolen jewelry worth more than £1 million (\$1.5 million) from a country house in Midhurst owned by a Jordanian multimillionaire, Taj Hajjar. The police said it was the biggest robbery from a private house in Britain.

UN Launches Polish Leaders Bolstering Post-Solidarity Unions

Conference on Palestine Issue

United Press International

GENEVA — The United Nations began on Monday a 10-day Conference on the Palestine Question, but the United States and Israel boycotted it because they said it was one-sided.

Other major Western countries sent only observers. That strategy allowed the representatives to speak without linking their countries to the anti-Israel resolutions that are expected to be approved.

Seventy-six of the United Nations 157 members had registered as full participants.

Secretary-General Javier Pérez de Cuellar said in an opening address that peace in the Middle East depends on three conditions:

• "Withdrawal of Israeli forces from occupied territories."

• "Respect for and acknowledgment of the sovereignty, territorial integrity and independence of every state in the area."

• "A just settlement" that is "based on the legitimate rights of the Palestinian people, including self-determination."

A draft declaration prepared by UN organizers of the conference as a basic working document used stronger language, however.

The draft condemns Israeli policies in occupied territories, rejects Israel's declaration of Jerusalem as its capital, calls for a new Middle East conference with full participation of the Palestine Liberation Organization and recognizes the right of Palestinians to an independent state.

Switzerland, the host country, called the conference a "useless show" and a "political non-event." It had tried but failed to have the meeting moved elsewhere.

Switzerland displayed its annoyance by sending only an observer and by staging a huge security operation that severely disrupted traffic and airport routine.

The United Nations itself enforced tough security regulations inside the Palais des Nations, even sealing off an internal pneumatic message system to guard against the sending of bombs or release of gas.

Yasser Arafat, chairman of the PLO, did not attend the opening, although he was expected to arrive later. He sent a delegation of 11 of his closest supporters to the opening.

Other factions within the divided PLO did not attend.

An official U.S. statement said the "prestige of the United Nations is being exploited" with the conference doing nothing for the cause of peace for the Palestinian people.

The United States said it would deduct its share of the \$7 million cost of the meeting from its annual contribution to the United Nations.

Israel denounced the conference as providing a platform for extremist Arab nations "to preach the destruction of Israel."

Arafat Reported Confident He'll Overcome Rebels

Reuters

TUNIS — Yasser Arafat, the Palestinian leader, is confident that he is prevailing over dissidents within his el-Fatah guerrilla movement, Palestinian sources said Monday.

The sources were commenting on a three-day meeting of the Central Committee of Fatah, the main group in the Palestine Liberation Organization.

No statement was issued after the meeting, which ended Sunday and was devoted mainly to discussing the three-month revolt against Mr. Arafat's leadership and its consequences for the Palestinian movement.

"At some stage, the pro- and anti-Arafat factions seemed evenly matched. Now the dissidents are clearly on the defensive," a Fatah official said.

Eleven of the Central Committee's 15 members attended the meeting, which discussed the procedure to apply when the crisis ends, the sources said. They did not specify whether the Fatah leadership saw the exclusion of the Syrian-backed dissidents or some kind of compromise formula.

One of the dissidents' main complaints is that Fatah is run too autocratically by Mr. Arafat and his aides and that the views of the militants are not taken into account.

The Central Committee also reviewed the situation of Palestinians in Israeli-occupied territories and in refugee camps in Lebanon.

Compiled by Our Staff From Dispatches

WARSAW — The Polish authorities have seized on the upcoming third anniversary of the birth of Solidarity as an occasion to boost the unions that were established to replace it.

The official press agency, PAP, said a weekend meeting in Katowice between General Wojciech Jaruzelski, the Polish leader, and leaders of the new unions was "a turning point in the recent history of the trade union movement in Poland."

State-run Polish newspapers gave heavy coverage on Monday to the Katowice meeting and other recent visits by General Jaruzelski to factories in southern Poland as part of a campaign to reduce tension before expected Solidarity demonstrations Wednesday.

The new unions, which started at

the beginning of the year, have attracted comparatively little support.

Although they are formally self-governing and independent, like Solidarity, the underground opposition said they should be boycotted as extensions of the communist system.

The PAP commentary said: "A host of complex grievances and general social problems requiring trade union intervention have accumulated over the last few years, when unions were absent and earlier still when they were preoccupied with quite different matters."

This was seen as a criticism of Solidarity, which the government accuses of engaging in a political struggle and abandoning the interests of workers.

The new unions have fallen short of official calculations of their growth, reaching about 3.2 million members.

This is still less than the 3.5 million members enrolled in the pro-communist branch unions before the military takeover, and about a third of the Solidarity total.

Former Leaders Ponder Fragile Nature of Power

By Terence Smith

New York Times Service

VAIL, Colorado — A group of former heads of government, all involuntarily retired from office, assembled here over the weekend to consider the state of the world and the transient quality of political power.

At one point, Helmut Schmidt, the former chancellor of West Germany, gestured toward the four men seated with him on a deck in the bright Colorado sunshine.

"What we have here," he said half in jest, "is a beautiful experience. A conspiracy of former world leaders against present world leaders. But thank God none of us has the power to alter anything anymore."

In addition to Mr. Schmidt, who dominated West German politics until he was turned out of office last year, the former leaders gathered at the mountain home of former President Gerald R. Ford included Valéry Giscard d'Estaing, president of France from 1974 to 1981; James Callaghan, prime minister of Britain from 1976 to 1979, and Malcolm Fraser, prime minister of Australia for eight years until he lost an election in March.

Together at Vail, the five men reminisced about the past, lamented the present and contemplated the future.

The former leaders came here at Mr. Ford's invitation to take part in three days of discussion with nearly 100 economists, diplomats, political figures and corporate executives. The meeting was the second annual World Forum, sponsored by the American Enterprise Institute, a Washington-based organization at which Mr. Ford is a fellow, and the Vail Foundation.

The leaders discussed the fragile nature of political power with the shared understanding that only those who have held power can have.

Saturday morning, for example, after they had sat up late the night before talking about the problems of the world and how they would handle them, Mr. Callaghan said with a grin, "I had to pinch myself last night and almost punch the rest of them to remind ourselves that we were no longer in power."

Mr. Giscard d'Estaing, asked at a news conference how it felt to be out of power and unable to determine French policies, declined to answer before the microphones. A moment later, he drew a reporter aside and whispered with a smile: "How does it feel? About the same way you feel when you write a story that doesn't get in the paper."

Different as they were politically — Mr. Schmidt and Mr. Callaghan to the left of center, Mr. Ford, Mr. Giscard d'Estaing and Mr. Fraser to the right — the five became friends during their tenure. They clearly enjoyed being together again over the weekend, kidding each other and, away from the conference, trading reminiscences in the living room of Mr. Ford's \$2.5-million home nestled among the aspen and fir trees of Beaver Creek, a luxurious new resort near Vail.

Mr. Ford conceived the idea of the gathering two years ago with William J. Baroody Jr., the president of the American Enterprise Institute.

Other guests at the World Forum included former Secretary of State Henry A. Kissinger, the U.S. ambassador to West Germany, Arthur F. Burns, two economists, Alan Greenspan and Paul W. McCracken; the special U.S. trade representative, William E. Brock, and several members of Congress.

The conference participants from private enterprise, who paid \$4,000 each to attend, included the

chief executive officers of about 50 major American corporations.

The purpose of the forum was to assess long-term trends in world politics. But taken together, the comments of the former presidents and prime ministers in the forum discussions and in private interviews over the three days amounted to a broad indictment of the Reagan administration for its huge budget deficits and high interest rates, its preoccupation with Central America and its arms-length approach to arms control and relations with the Soviet Union.

The leaders warned in forceful terms that the Reagan administration's projected budget deficits of nearly \$200 billion, combined with high interest rates and unemployment, threatened to bring about a world economic disaster unlike anything seen since the 1930s.

Mr. Fraser and Mr. Callaghan both expressed concern that the current recovery in the United States might serve to obscure some of the more basic problems afflicting the world economy.

"In the longer term," Mr. Fraser said in an interview, "this recovery might not be serving a good purpose if it distracts people from some very basic problems, like the mounting international debt and increasing protectionism."

On foreign-policy issues, the leaders all seemed to think that the Reagan administration was excessively preoccupied with Central America and insensitive to more important problems, such as arms control and relations with the Soviet Union.

"The Reagan administration is trying to tackle too many problems at once," Mr. Schmidt said in an interview. "Chad, for example. Why not leave that to the French? Keep your AWACS home."

Despite the bad notices given Mr. Reagan's policies by the former leaders, Mr. Schmidt insisted that they were not hostile to the administration. "We're critical, yes," he said, "but not unfriendly."

A Russian Conductor Found Hanged in Spain

Reuters

MADRID — The leader of a touring Soviet symphony orchestra has been found dead after a weekend concert in the northern Spanish city of Gijón. Soviet Embassy officials said Monday.

The newspaper *El Pais* quoted police sources as saying Boris Korkov had been found hanging from a belt in his hotel room Saturday night, but the embassy would not comment on the cause of his death.

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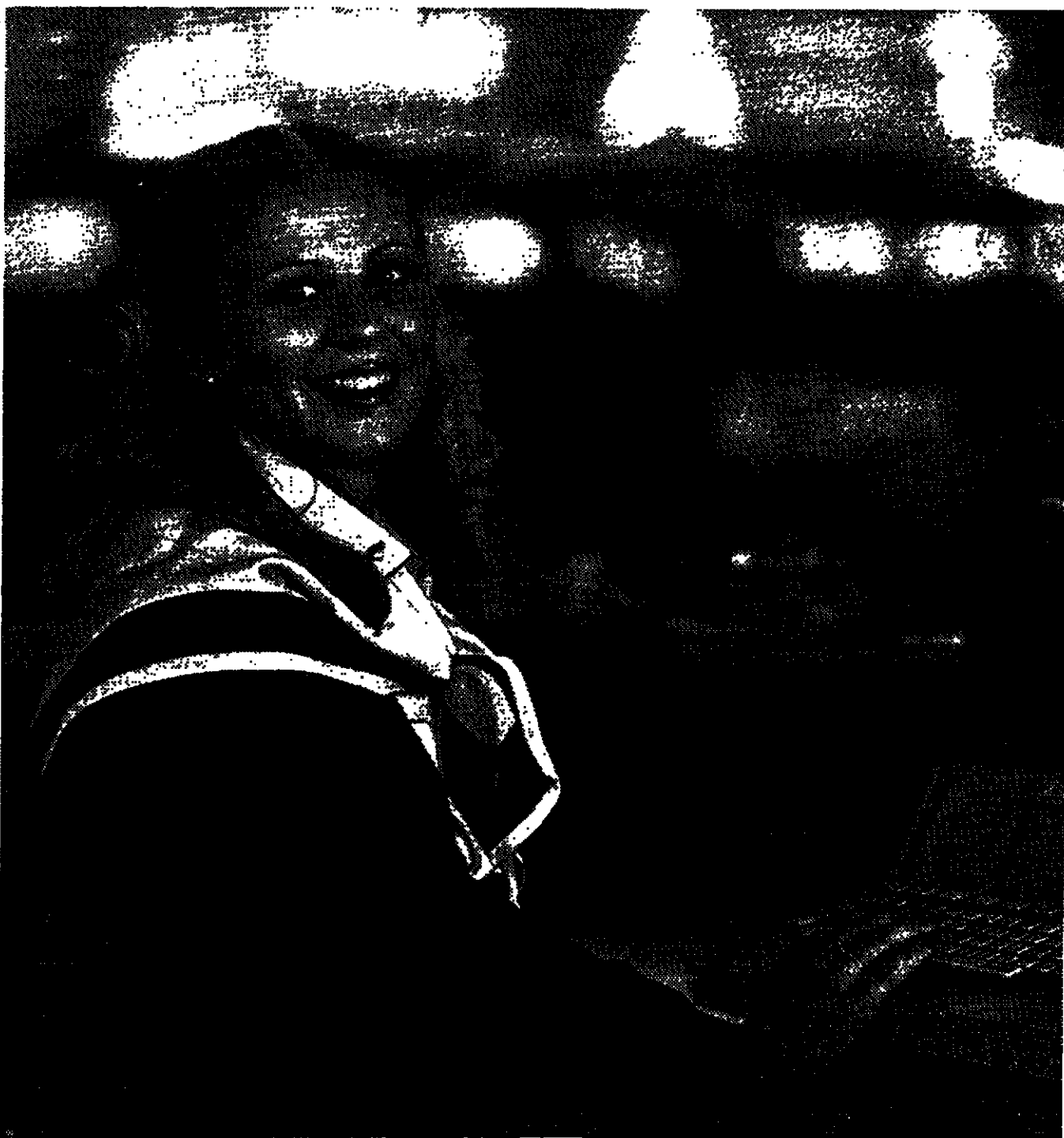
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Folly in High-Tech

The Pentagon is debating how far the next generation of arms should depend on highly computerized systems, which are capable of scanning the battlefield and devastating the enemy with precisely aimed missiles. The debate is taking place at all levels of the Pentagon's reluctance to learn from experience.

No one disputes the need for better conventional weapons, some experts conclude, might permit a delay in wartime decisions to use nuclear arms. But in developing such weapons, it is folly to let high technology become an end in itself.

High technology can help or hinder military effectiveness. The Pentagon has repeatedly used it to enhance qualities that are of marginal importance to real combat. It has focused the design of major weapons systems on high-tech means of engaging the enemy at vast distances, at the cost of degrading performance under real combat conditions.

Planes and ships, for example, have extremely powerful radars to spot the enemy way off. But the radars, like searchlights in the dark, emblazon the sender's position to the enemy. That is what happened in the Falkland war when Argentina sank the British HMS Sheffield with an Exocet missile.

Since there is no reliable means, beyond visual distance, of distinguishing friendly planes from foe, pilots often wait for targets to come into view before firing. But at such close range, cannon or simple heat-seeking missiles are the better weapons.

These accounts for almost all the kills made by Israeli pilots during the war in Lebanon. The U.S. Air Force's costly new radar missiles contributed little or nothing to the Israeli rout of the Syrian air force.

On land too, great effort has been made to

engage the enemy at the greatest distances, even though most combat occurs at much shorter range. The Pentagon loses sight of the factors that count in real battles in other ways.

The Navy elects to build nuclear attack submarines instead of diesel-electrics, which are quieter and cost a fourth as much. The Air Force prefers supersonic planes and bombers to aircraft that can fly slowly enough to support ground troops. The Army chose to build the hot-rod M-1 tank instead of doing what the Israelis did: improve the old M-60 so well that it smashed the Syrians' Soviet-supplied T-72s — the tanks that were the M-1's raison d'être.

Some "smart" weapons seem downright dumb. The Army's Copperhead artillery shell is meant to kill tanks by riding along a reflected laser beam. The soldier who aims the laser at the tank can be instantly detected by the night-vision devices standard on Soviet tanks, yet must hold the beam on the tank for 13 seconds, a suicidal task.

Tactical flexibility and initiative are what compensate for the U.S. Army's numerical inferiorities in Europe, as against the centralized rigidity of the Soviet command structure. How better to destroy that advantage than by forcing all decisions on a battlefield through central computers? How more certain to guarantee fiasco than by relying on sensors that are bound to be confused in the chaos of battle and "smart" weapons likely to work one-on-one as well as the contractor promises?

As shown in Lebanon and the Falklands, wars are won by tactics and training, not complex gadgets. When the internal goals of military bureaucracies make tactics subordinate to technology, high-tech weapons may mean only weaker defense.

— THE NEW YORK TIMES.

Athletes Aren't Cattle

Accomplished athletes from several nations have been stripped of medals won at the Pan American Games in Caracas. They flunked new, improved tests designed to catch "dirty" competitors — common parlance for those who have used prohibited drugs, notably the male hormone testosterone and related steroids thought to facilitate more intensive training and muscle development. Several more competitors flunked rather than risk expulsion. Olympic officials plan to use testing equipment at least as sensitive and to be just as strict in enforcing the drug prohibitions in 1984.

But why all the fuss? If competition and winning are so important to the athletes and to national prestige, what is wrong with juicing up the players a little bit so that they give the most their bodies and minds can produce? After all, everyone does it, say some U.S. athletes defensively. The East Germans are notorious in this regard, having been fast off the starting block in both good and bad uses of high-tech sports training.

The romantic ideal of the unspoiled human machine seems a bit out of place in today's athletics industry. It is hardly an unambigu-

ously glamorous enterprise. Does it make sense for competition to have become so intense, and so profitable, that pre-pubescent kids are up before dawn swimming, running and skating for miles, year after year, forsaking childhood years in search of — something? If that is all right, why not a couple of pills to help get the most out of weight training? Sure, the drugs have dangerous side effects, but the sports themselves pose risks.

It must have something to do with spirit, which cattle are presumed to lack but athletes are supposed to exemplify. Steroid injections and chemically laced food are the staples of Iowa feed lots, and there is nothing spiritual about producing prize-winning physical specimens that way. The protests against East German practices and the adoption of drug prohibitions were partly a counter to unfairness, but more a counter to sheer ugliness. A medal is a testament to the best of body, mind and spirit. Test tube technology spoils the romantic glory, which is what we need from world class athletes. The expulsions at the Pan American Games are good training for the Olympics.

— THE WASHINGTON POST.

Other Opinion

Begin's 'Resignation'

Begin's resignation may lead to an indefinite postponement of the Israeli withdrawal from Lebanon, at least if Lebanese factions reach an agreement through U.S. efforts.

It may, on the other hand, renew Israeli fears of getting involved in Lebanon local strife, and push the new government in Israel to withdraw immediately from Lebanon, turning it again into a hell.

It would be disaster if the Israelis withdraw now while Gemayel is having problems convincing the Druze to let his army take over.

— Al Ahran (Cairo).

During the six years that Mr. Menachem Begin has been prime minister of Israel his departure from that office has been frequently and heartily desired by most of the foreign leaders who have had to deal with him, from the president of the United States down.

The outside world in general has seen him as a very obstinate man whose determination to incorporate the West Bank of the Jordan and the Gaza Strip into Israel has thwarted any hope that the Sadat initiative would develop into a general Arab-Israeli peace, while his obsession with the threat to Israel's security from the PLO has led to the devastation of much of Lebanon and to Israel's seemingly inextinguishable embroilment there.

The Arabs failed to exploit the moment of opportunity which last year's Israeli blunders offered them. The Reagan administration has now abandoned any serious effort to persuade

Israel to keep the West Bank available as a Palestinian homeland.

No such effort can now be expected before the U.S. presidential election in November 1984 and by then so many Israelis will be living in the West Bank that no Israeli government is likely to contemplate withdrawing from it.

Mr. Begin can afford to retire, for it no longer makes any immediate difference who his successor is.

— The Times (London).

What Andropov Offers

If indeed the Soviet Union were, as Mr. Andropov has suggested, to "liquidate" some of its SS-20 missiles pointed at Western Europe, that would be the first serious act of disarmament for 20 years.

Mr. Andropov has cleared up a serious ambiguity because although the offer to remove the offer to destroy them is new. But the central Soviet requirement remains, and that is that the British and French nuclear forces should be included on the Western side in any agreement which seeks parity in Europe.

The effect would be, however, to lock Britain and France into the treaty system as they have not been locked before. Any increase by them in total firepower would entitle the Soviet Union to a corresponding increase. For NATO to go insisting that British and French forces have no bearing on the balance within Europe is an increasingly untenable position.

— The Guardian (London).



The Reagan Mideast Plan Is an Embarrassing Flop

By Anthony Lewis

NEW YORK — A year ago President Reagan launched his plan for a "fresh start" toward peace in the Middle East. Seldom has a major presidential foreign policy initiative foundered so completely. To call the Reagan plan moribund today would be too optimistic.

The indigenous problems of the Middle East — the intractable conflicts and hatreds — contributed to the failure of this plan as of others in the past. But this time there was American failure on a large scale, too. U.S. policy was undone by flaws that were embarrassingly obvious: self-deception, ignorance, ineptitude.

The bungling traces back to the weeks before Israel's invasion of Lebanon in June 1982, when Alexander Haig was secretary of state. From his nose and wink Ariel Sharon, then Israel's defense minister, knew there would be no serious U.S. objection as he turned what looked like a limited operation into a large-scale war. As a result of that war, Israel has been trapped in a Lebanese quagmire — and so has the Reagan administration.

His response has been to make promises that it could not keep. The administration's first major diplomatic effort, last summer, was to end the fighting by arranging the evacuation of PLO forces from Beirut. Philip Habib, secretary of state, gave a U.S. undertaking in return that Israeli troops would not enter West Beirut. But when General Sharon broke that understanding, and the massacre in the Palestinian camps followed, the Arab world felt that the United States had been unable or unwilling to honor its commitment.

Secretary of State Shultz confidently set the target of Israeli withdrawal from Lebanon by Christmas 1982, that is, that "that might have made some sense if Israel had wanted only to negotiate security arrangements with the Lebanese. But there was a larger political aim, as Mr. Shultz should surely have anticipated: a de facto peace treaty. Negotiations on that difficult subject dragged on, and the terms finally reached depended on Syria's agreement — which was not in sight.

Syria has been the subject of the administration's most extreme self-deception. Mr. Shultz and his people kept saying they were sure Syria would take its troops out of Lebanon once the Lebanese and Israelis agreed: a view that no one with the most modest knowledge of the Middle East could have taken seriously.

Just as puzzling was the administration's policy of totally ignoring Syrian President Hafez Assad in efforts to sell the Reagan peace plan for

the region. All the diplomacy was directed at King Hussein of Jordan. But Mr. Assad is a determined and effective man in defending his interests — and one who can manipulate the PLO to that end, as he did. King Hussein, unable to get support from the PLO, finally decided not to join the Reagan initiative.

The administration's latest achievement, a truly amazing one, has been to anger King Hussein. It did this by vetoing a United Nations Security Council resolution that opposed Israeli settlements in the occupied West Bank. The king, in an interview published in The Los Angeles Times, called the veto "very dangerous and shocking."

The Camp David agreements had

incorporated UN resolutions condemning the acquisition of territory by war, the king said, and a key proposal of the Reagan plan itself was a freeze on settlements. "To turn around suddenly and say that these activities, the taking of people's land, could be construed as legal is something very, very serious."

There is no easy way to solve the problem of the West Bank. But the United States could maintain a measure of dignity and consistency. U.S. policy for 35 years is based on an understanding that remains correct. Abba Eban, the former Israeli foreign minister, explained it recently:

"Partition was not a diplomatic accident when it carried Israel to statehood.... It was the expression

More Marines Are Needed To Salvage the Lebanese

By Robert E. Hunter

WASHINGTON — Seldom since World War II has the world witnessed the death of a country, but that may happen to Lebanon in the next few weeks. Still occupied by Syria and Israel and sliding steadily toward a renewal of its civil war, Lebanon has little time left to prepare itself for the most critical trial of its life as an independent country.

It is time for the U.S. Marines, in larger numbers, to play a role.

Israel has announced it will soon begin to redeploy its forces in Lebanon, thereby evacuating 370 square miles of occupied territory and setting up positions along the Awali River. This has been condemned by Lebanon's president, Amin Gemayel, as likely to lead to Lebanon's permanent partition. He fears that the new Israeli positions will never change, and that Syria's President Hafez Assad will have no incentive to remove his own 30,000 troops.

That broader diplomatic issue remains moot. What seems clear is that the conflict between rival Christian and Druze forces in the disputed Chuf Mountains will intensify. And in that and other internal strife could come the death blow not just to the current Lebanese government but also to Lebanon's prospects for integrity and independence.

In the 11 months in which he has been president, Mr. Gemayel has tried to reach out to the various elements of Lebanon's society's complex tapestry. But handicaps have outweighed hopes. He has effective con-

trol of only a sliver of his country. At every turn the presence of foreign troops has complicated his efforts. The Lebanese armed forces have not yet been fully reformed along lines that would end the traditional ascendancy of Christians over Moslems. And these forces are still short of the equipment and clan needed to control areas to be vacated by Israel, while militias of every competing group continue to abound.

Lebanon now has a broad-based cabinet. But the basic structure of government has not taken account of major demographic change.

For a long time the Christian population has been a minority among the Sunni and Shia Moslems and Druze. Thus it has been inevitable that large segments of Lebanese society are challenging the traditional political bargain — that a Maronite Christian should always be president, with other sects in lesser positions. Indeed, the Druze — with no formal place in the bargain — recently detained three Lebanese legislators overnight and closed Beirut airport with artillery fire. They did it to underline their demand that the government be reformed to give them a greater voice in running the country.

Despite Mr. Gemayel's call for national reconciliation, Lebanon's future now depends on a miracle: the willingness of warring clans and religious groups to put national interests above sectarian interests. But, like many miracles, it could be aided by a little outside help.

In this case that means continued U.S. steadfastness in support of Lebanon's independence and integrity, more equipment and training for the Lebanese armed forces and more economic aid.

But it means something even more immediate and vital: an increase in the size of the multinational force now patrolling in Lebanon.

Today these forces are essentially deployed out of harm's way. In effect they do little or nothing to stop the spread of sectarian strife.

There would be great risks in beefing up the multinational force and sending it into the Chuf Mountains and other areas behind departing Israeli forces. The issue is whether Lebanon's future is worth such risks.

Opinion may be divided on that point. But once again Lebanon is not an "island entire unto itself." Today it is also the touchstone of possibilities for progress on larger issues of Arab-Israeli peacekeeping. While Lebanon has festered, the West Bank and Gaza have become a sideshow, and President Reagan's peace plan is marking its anniversary with no achievements to validate the investment of presidential prestige and American commitment.

Put simply, as long as Israeli and Syrian forces remain in Lebanon, efforts to resolve Arab-Israeli issues will remain on dead center. The key to achieving such a troop withdrawal is an end to Syria's intransigence, but another requirement is some prospect of civil peace in Lebanon.

U.S. policy has lacked a cutting edge in Lebanon. It also has been marked by two errors in diplomacy. There was the strategic error of not talking to Mr. Assad while the separate agreement was worked out between Lebanon and Israel. And there was the tactical error of changing U.S. negotiators because Mr. Assad would not receive the one we had sent — a poor practice for a superpower, and grist for Mr. Assad's mill.

Those mistakes can be redeemed in part by recognizing the stakes in the current situation in Lebanon, and by backing them with much larger peacekeeping forces until the Lebanese forces can do the job alone. To be sure, the real political effort must be made by the Lebanese. That task is even more complex than the one that led to the stationing of American forces in Lebanon for three months in 1958.

But it is now essential for the United States and its European allies to provide a security backdrop for Lebanon, for as long as need be, while it recasts its political bargain.

The Rules According to International Law

By Eugene V. Rostow

PERU, Vt. — Cuba and Nicaragua hint they would be willing to stop sending men and arms to promote the rebellion in El Salvador if the United States agreed not to help the Salvadoran government put the rebellion down. The agreement they propose would abolish the distinction between aggression and self-defense in international law and treat both as politically and morally equivalent.

For the United States to embrace that proposition should be unthinkable. With remarkable consistency, the modern rules of international law have been applied to hold a state liable for any use of force from its territory to attack the territorial integrity, political freedom, citizens, armed forces or other sovereign interests of another state. The rules recognize the inherent right of "individual and collective self-defense" in peacetime — that is, the right of a state being attacked, and of states helping it, to use a limited, proportional amount of armed force if peaceful remedies are not available.

The pattern of response to the illegal use of force has not always been effective, and in recent years it has become alarmingly ineffective. But the expectations and prescriptions of the law have long been clear in the rulings of courts and arbitrators and in the conditioned reflexes of foreign offices and defense ministries. Thus, during Biafra's attempted secession from Nigeria, the world community treated aid to Biafra as obviously illegal, while international military support for Nigeria was accepted as

obviously proper. Similarly, Libya's assistance to rebels against the government of Chad is universally considered aggression, whereas French and United States help to the government of Chad is considered normal.

These rules of international law, reaffirmed in the United Nations Charter, reflect the nature of states, and conditions necessary for their cooperation in the hazardous environment of the state system. Many international commissions have attempted to establish exceptions to the rules in order to legitimize international use of force in behalf of causes to which particular states are attached — notably, "socialism," "national liberation" and "self-determination." These efforts have failed because no state will support a rule that might be invoked to restrict its right of collective self-defense or to justify a guerrilla attack from a neighbor's territory against itself.

One great advantage of basing our foreign policy explicitly on international law is the neutrality of the law. The rules of law on the international use of force rest on a policy of preserving the state system, in which every state has an equal and overwhelming interest. International law does not protect the "status quo"; it establishes procedures for encouraging peaceful change. It says nothing about the right of a people to revolt against tyranny. It deals only with the international use of force, and it pro-

jects Poland and East Germany as categorically as it protects El Salvador and South Korea.

Apart from the various applications of the Brezhnev Doctrine, before which the West has stood mute, there has been only one deviation from the pattern of conduct sketched by these rules in modern times: the "nonintervention" policy that assured destruction of the Spanish Republic. The leaders of Cuba and Nicaragua take a leaf from the book of Hitler and Mussolini: During the mid-1930's, Hitler and Mussolini sent military supplies and then troops to assist Franco. This was open aggression against Spain. Other Western nations were legally entitled to help Spain defend itself against the revolution but did not, hoping to appease Hitler and Mussolini.

The United States must not consider repeating the mistake it made by supporting the "nonintervention" policy for Spain. It should never again abandon the rules of international law that condemn aggression and uphold states' right of individual and collective self-defense. The most fundamental goal of U.S. foreign policy — achievement of a just, stable world order — will be beyond reach until the rules on the international use of force are generally and reciprocally observed.

The writer, a professor of law at Yale University and former head of the U.S. Arms Control and Disarmament Agency, contributed this article to The New York Times.

The writer, a senior fellow at Georgetown University's Center for Strategic and International Studies, contributed this comment to The Los Angeles Times.)

LETTERS

Bias Over Nicaragua

Regarding "Nicaragua: A Nation Stifled by the Tangled Growth of Its Tropical Revolution" (HT, Aug. 18):

John Vinocur observes that "hundreds of thousands" of Nicaraguans "have learned to read and are enjoying health care and land for the first time." The Sandinistas are reported to have devoted more in three years to improving health care and eradicating illiteracy than their predecessors did in three centuries — and this in the face of systematic harassment from the United States. Surely such achievements demand more than a mere sentence in a long, front-page article purporting to give us a picture of the Nicaraguan revolution.

NATHANIEL HARRISON, Boulogne-Billancourt, France.

Clark's Power

Regarding "Clark Advocates Tough U.S. Stance" (Insights, Aug. 17):

Steven Weisman's profile of William Clark, President Reagan's national security advisor, was frightening. The description of Clark becoming increasingly powerful as a result of absolute loyalty to an anarchistic ideology and ready access to an intellectually limited leader is not without precedent. His position appears to resemble that of Rasputin in the court of the last Russian czar.

RICHARD B. SALTMAN, Hellerup, Denmark.

FROM OUR AUG. 30 PAGES, 75 AND 50 YEARS AGO

1908: The Tsar in New York

NEW YORK — On the deck of the Helinita, flagship of the Seawanhaka-Corinthian Yacht Club, Rear Admiral Franklin S. Hastings was invested with the Imperial Order of St. Stanislaus, by decree of the Tsar of all the Russias, in recognition of his services as President of the Russian Symphony Society of New York. Commodore Frank Jay Gould tendered the hospitalities of the flagship for the occasion, and the Helinita, with a party of guests, steamed away from the New York Yacht Club anchorage at East Twenty-Third Street, Baron Schlippenbach, the Russian Consul General, placed the jeweled order and its ribbon about the neck of Mr. Hastings. Toasts were drunk to President Roosevelt and to the Tsar.

1933: Church Challenges Nudism

PARIS — To combat nudism, a "Council of Vigilance" has been formed by the Roman Catholic hierarchy of France. Bishops in Normandy, Brittany and Vendée, where the bathing beaches are filled with swimmers declared to be insufficiently clad, have issued a solemn warning to their flocks against abbreviated bathing suits and nudism. It reads, "Certain of our beaches can no longer be frequented by family groups which desire to instill in their children the love of virtue and of good French taste.... These shocking liberties are joined with the theories and practices of contemporary nudism; together, they constitute a grave danger against which all decent folk must protest and combat."

What Would 'Taking Out' Colonel Qadhafi Mean?

By William Pfaff

PARIS — It is reported that in the White House and Pentagon circles the idea is bruited that the time has come to "take out" Colonel Moammar Qadhafi of Libya. There will never be a better opportunity, it is said.

What would this mean, were it to be attempted? The superiority of U.S. arms over those of Libya is not in doubt. Libya's military forces could readily be "taken out," although as an act of aggression this would entail considerable political costs. To do so would not, however, thereby "take out" Colonel Qadhafi. More would be required. And if he were taken out, who would take his place? A nominee of Washington? To accomplish what? These are relevant questions. There is another: What is all of this to the United States?

Colonel Qadhafi has for a decade been a proclaimed enemy of the United States. That has largely been meaningless because he lacks the means to do serious harm to the United States, however fervently he may wish to do so. If verbal enmity were sufficient grounds in international morality (or even expediency) for one country to "take out" another — or its ruler — the United States government would have had little time for anything else in recent years.

Colonel Qadhafi has now installed his army in northern Chad, where he has persistently interfered for years. Chad is a country traditionally under

the influence of Senussi Arabs, the community to which Colonel Qadhafi belongs. He is active elsewhere in Islamic Africa, attempting to extend his own version of Islamic revolution, revealed in his Green Book. He professedly wishes to see a united "greater Maghreb," under his sway, except for the Maghrebian states of Morocco, Tunisia, and Algeria show no disposition to cooperate.

He has aligned himself with the Soviet Union in international affairs, but he is not controlled by them. He is someone whose own ambitions currently coincide with certain interests of the Soviet Union, a power no otherwise known for sponsorship of Islamic revival.

For the Western powers with alliances and interests in Saharan Africa helping Libya's neighbors to look after themselves is legitimate and desirable. If Colonel Qadhafi's larger ambitions were realizable, the United States would legitimately be concerned. As they are not, they would seem an affair the United States property — and profitably — could ignore. Chad itself was terra incognita to all but a handful of Americans until a few weeks ago (although not to all of the U.S. government, which was implicated in the coup which put President Hissène Habré into power two years ago and deposed his pre-

sent challenger, Goukouni Oueddei). Libya itself would be almost unknown to Americans were it not for the colonel himself, with his preposterous uniforms, accompanied by his amazons. Yet he represents continuity for Libya. His Senussi community derives from Shiite sectarianism, and has fought against foreign influence since European colonialism first appeared in North Africa. King Idris of Libya, whom Colonel Qadhafi overthrew in 1969, was a grandson of the Senussi founder.

When Colonel Qadhafi hires renegade American secret agents, and European European terrorists, their very availability to him is evidence of the corruption and disintegration which he believes marks the West — this West which checked Islam at Poitiers in the year 732. It has also been a practice among certain Shiite extremists to send murderers into hostile countries. The Assassins, one such sect, gave their name to the practice.

President Reagan says that Colonel Qadhafi is "the most dangerous man in the world." Former President Jimmy Carter said the colonel is "subhuman." Henry Kissinger has said that "we should have taken him out a long time ago." There is a venom, an extremism, in these sentiments of U.S. officials which seems disconnected from adequate cause —

from the man himself, what he actually represents, and what he really has done to harm the United States.

Why is Colonel Qadhafi different from so many others in small countries, who attack the United States, and present themselves as figures of international moment — as marshals, maximum leaders, great teachers? Why have Soviet leaders not earned a comparable hatred in Washington? Leonid Brezhnev did more harm to other countries — Czechoslovakia, Poland, Afghanistan — and to the international community than Colonel Qadhafi ever did. But no one in Washington seems to have proposed taking him out, nor do they talk of taking Yuri Andropov out.

Yet is there not a connection? The policies of the Soviet Union do threaten the United States, even its survival should war come. There is nothing decisive to be done about this. The anxiety it generates among Americans must be suppressed. It is necessary to get along with the Soviet Union. There is nothing else to do. But a man like Colonel Qadhafi is accessible, bold, provocative. Something could be done about him. "I will do such things — what they are yet I know not, — but they shall be yet I know not," he shall be yet I know not. "You think I'll weep? No, I'll not weep."

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Directeur de la publication: Walter N. Thayer.
Gen. Mgr. Asia: Alain Lecoq. 24-26 Kennedy Rd., Hong Kong. Tel. 5-285618. Telex 61170.
U.S. on capital de 1,200,000 F. RCS Nanterre B 3320116. Commission Paritaire No. 34231
U.S. subscription: \$320 yearly. Second-class postage paid at Long Island City, N.Y. 11101.
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COMMODITIES

By H.J. MAIDENBERG

U.S. Soybean-Futures Prices Soar As Drought Shrivels Size of Crop

NEW YORK — There is no better illustration of the disaster engulfing the U.S. soybean crop than the soaring futures prices of the \$1 two-month contract. Since July 1, the spot September soybean futures contract has jumped to \$9.33 a bushel from \$6.

By comparison, futures prices of corn, the largest crop in the United States, have advanced to \$3.60 from \$2.85, also based on the spot September contract. Each one-cent move in corn or soybean futures adds \$50 for a contract of 5,000 bushels, so the value of the September soybean contract soared \$16,750, and that of the spot corn futures rose \$750.

The oil and meal made from the buff-colored, pea-size soybean are essential ingredients in a multitude of food and industrial items. For example, the oil is a key ingredient in margarine, mayonnaise, cooking oil and salad dressings, and the meal is a vital protein supplement in feed rations for all kinds of livestock, from cattle to poultry.

An efficient soybean processor can convert the standard 60-pound bushel of beans into 11 pounds of oil and 48 pounds of meal. Hardly any beans are used in their natural state, except as seed.

"The soybean crop is no less a savior than the corn crop this season," said Edward L. Sterling, an oilseed specialist at ACLI International Commodity Services. "Our field experts tell us that while the crop appears green and mature, unlike the seared-looking corn, the beans are shriveled or filled with bunched-size beans."

The lack of rain has driven spider mites, other insects and vermin to whatever moisture they could find from the normally moist pods in many soybean-growing regions, Mr. Sterling said, adding, "We reckon that if things don't get much worse, we may see a bean crop of 1.5 billion bushels, compared with 2.5 billion last year. The country consumes about 40 million bushels of bean products a month. Luckily, the country had a record carryover of 455 million bushels from last year because our foreign customers have been short of dollars and credit."

"The five-year grain agreement signed last week by the United States and the Soviet Union permits the Soviet Union to buy soybeans and bean products, as well as grain. Chicago traders reported last week that Soviet buyers have been buying futures to lock up projected bean and bean product requirements. As a result, the total supply as of Wednesday, when the statistical soybean crop year ends, could be much lower than the 3.0 billion bushels estimated."

One Forecast of Cut Leads to Another

"The trade should have a clearer picture of the disaster on Sept. 12, when the Agriculture Department issues its crop estimates, based on Sept. 1 conditions," Mr. Sterling said.

"Whenever a September crop report shows a reduction from the August estimate," he said, "you can be almost certain that the October survey will show an even lower supply. Why? Because after Sept. 1, the bean crop can only get worse."

Given this situation, Mr. Sterling forecast bean-futures prices between \$10.50 and \$12.50 in the first quarter of 1984. The record bean-futures price, \$12.95 a bushel, was set in June 1973, when President Richard M. Nixon embargoed bean exports because of a threatened shortage.

"But the shortage never developed that year," recalled John Schmitzer, who heads a leading agribusiness consulting firm bearing his name in Washington. "The soybean plant has a remarkable ability to withstand drought by becoming dormant during such periods and then bouncing back afterward. However, I don't expect much of a bounce this season."

Mr. Schmitzer said that there have been several burdensome surprises: shortages of soybeans and that the current acreage-reduction programs do not apply to this crop. "Still," he added, "we think the nation can get by on a bean crop of 1.6 billion bushels this year, unless Brazil and Argentina have poor harvests next March, because exports of beans and products are not expected to rise, especially at today's prices."

Sherman L. Levin, farm-finance chief at Paine, Webber, Jackson & Curtis Inc., Chicago, said last Friday: "The soybean situation is terrible. There is no cause for panic. Our reports from South America indicate that, all things being equal, the Brazilians should come in with another crop of 551 million bushels, with Argentina also matching their previous crop of 162 million bushels."

These countries are the only other major sources of bean and product exports, but their domestic consumption keeps rising faster than their production each year. By contrast, U.S. domestic usage has been declining, although the recent price surge has caused many users to stockpile supplies, Mr. Levin added.

Friday, the National Soybean Processors Association's weekly report said that bean crushing in the week ended Aug. 24 totaled 18.7 million bushels, up from 16.4 million in the comparable 1982 week. Industry capacity, the trade group said, was 28.7 million bushels a week.

New York Times Service

U.S. Says Trade Gap Widened

Compiled by Our Staff From Dispatches
WASHINGTON — The U.S. trade deficit widened to \$6.36 billion in July, the third worst monthly deficit on record, the Commerce Department said Monday.

June had a \$4.96-billion deficit. Total exports earned \$16.6 billion in July, down 2.2 percent from June, while imports cost the United States \$22.99 billion, 4.7 percent above the June level.

The deficit for the first seven months of 1983 grew to \$39.96 billion, compared to \$19 billion during the like period last year.

David Lund, a department trade economist, said the growth of the deficit is "in the range" expected so that 1983 may end with as much as a \$70-billion deficit.

The current record deficit is last year's \$42.7 billion.

"Clearly the dominant factor for the month is the continuing growth of the economy," Mr. Lund said. He was referring to the way the economic recovery is stimulating the U.S. appetite for foreign-made goods, which was reflected in a record \$17.6-billion bill for imported goods other than oil in July.

"People are scrambling for supplies in order to meet production schedules," Mr. Lund said. The value of imports of oil and related products in July rose 10.4 percent to an adjusted \$5.04 billion from \$4.57 billion in the preceding month. The nation imported 5.3 million barrels a day of oil in July, up from the 5.2-million daily average in June. Total oil imports in July rose 10 percent to 171.4 million barrels from 155.8 million barrels in the preceding month.

The average price per barrel was \$28.90, slightly higher than the \$28.83 per-barrel cost in June.

The total deficit in trade with the countries that belong to the Organization of Petroleum Exporting Countries was \$804 million in July. The United States imported \$647.9 million in iron and steel mill products in July, \$158.9 million more than was spent on overseas steel the month before.

The total nonoil imports went up 3.6 percent in July.

The figures showed that exports to Mexico improved slightly in July but were still running at only slightly more than half of what had been typical before that country experienced its extreme financial difficulties.

"The drop in our sales to Mexico has been greater than the total decline in export sales to Western Europe from 1981," Mr. Lund said.

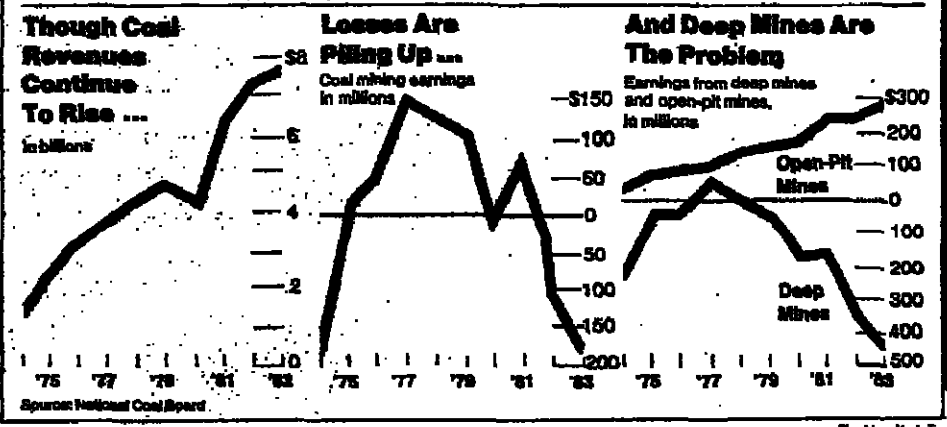
The trade deficit with Japan alone was almost a third of the deficit overall, \$2.01 billion. The nation's trade position is in deficit this year even after the typically strong trade in services is added to the trade in merchandise.

The surplus in the trade of food in July slipped only \$22 million from the June level, to \$1.57 billion. The trade deficit with Western Europe in July widened to \$320 million from \$215 million.

Markets Closed
All banks and financial markets were closed in Britain and Hong Kong Monday for holidays.

British Coal's Bleak Financial Profile

Figures for fiscal years ending March 31 based on current exchange rates



U.K. Braces for a Possible Showdown As MacGregor Takes Over Coal Board

By Barnaby J. Feder

New York Times Service

LONDON — There's an old saying here that British politicians should not tangle with three institutions. One is the monarchy. Another is the Vatican. And the third is the British coal miners. Coal's centuries-old role in British energy and the miners' militant tradition has turned their periodic confrontations with British governments into dramatic struggles. Those struggles frequently upset economic policies, and in 1974 a miners' strike for higher wages brought down the Conservative government of Prime Minister Edward Heath.

Despite the risk of tangling with the miners, Prime Minister Margaret Thatcher is making it abundantly clear that she is willing to take them on rather than back away from a policy of layoffs and mine closings intended to revitalize the state-owned coal industry. In pursuit of revitalization, nine mines were shut last year as money-losers, four have been closed so far this year and two more were ordered shut last week.

Nevertheless, coal's losses grew by \$78 million in the last fiscal year, which ended March 31, to \$180 million on revenue of \$7.54 billion.

Mrs. Thatcher has placed the task of revitalizing British coal in the hands of Ian MacGregor, one of her favorite executives. Mr. MacGregor, 71, takes over Thursday as chairman of the National Coal Board.

The Scottish-born executive is the personification of Mrs. Thatcher's tough management policy, a policy aimed at remaking ponderous, state-owned industries into market-oriented operations able to survive without government aid. Mr. MacGregor comes to the new job from three years as chairman of British Steel Corp., during which he cut the labor force to 80,000 from 130,000, reduced steelmaking capacity by about half, to 14.4 million metric tons a year, and almost eliminated the huge annual deficit.

But coal miners are not steelworkers. Mr. MacGregor faces a union leader, Arthur Scargill, whose militancy and devotion to socialism has made him as much a symbol as Mr. MacGregor. Mr. Scargill, 43, personifies worker opposition to Mrs. Thatcher's policies.

In the four years of her government, those policies have weakened unions by reducing pay settlements, forcing work-rule changes that increase productivity, and placing limits on picketing and the closed union shop.

Mr. Scargill has fought Mrs. Thatcher most of the way, and now he is pressing his National Union of Mineworkers to strike if the mine shutdowns continue. Because of his leadership, the outcome of such a strike would go far beyond the coal industry, probably determining whether Mrs. Thatcher could continue her tough policies during her newly begun second term.

A spokesman for Mr. MacGregor said the new coal chief did not yet feel qualified to talk about his plans. But the widely held view is that the Coal Board, under (Continued on Page 11, Col. 3)

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N.Y. Stocks End Mixed In '83's Slowest Trading

United Press International

NEW YORK — A late rally in blue-chip issues helped the New York Stock Exchange to post mixed results Monday. Trading was the slowest of the year so far.

IBM was a pacesetter in the late rally along with other selected high-technology issues. Aluminum stocks also found supporters.

The Dow Jones industrial average, down more than 9 points at the outset after climbing 7.01 Friday, rebounded to close up 2.04, to 1,941.11. The Dow lost 2.14 overall last week.

Technical analysts have been encouraged the past week because investors bought stocks when the closely watched Dow average got to the 1,800 level.

Lithco led advances 895-595 among the 1,935 issues traded. Volume of 53 million shares, down from the 61.7 million traded Friday, was the smallest turnover since 42.1 million changed hands Dec. 31.

"There was no real pressure either to buy or sell," said Trade Latimer, an Evans & Co. vice president. "This is traditionally a slow week because Labor Day is approaching."

"The market held up rather well considering the high interest rates and the negative sentiment in the bond market," said Michael Metz, Oppenheimer & Co. vice president. "It looks like big investors are just waiting for a signal to drive prices up but the signal hasn't come yet."

Prices plunged at the outset in reaction to the Federal Reserve's report late Friday of a smaller-than-expected \$200-million decrease in the nation's money supply. But the selling dried up and the market improved thereafter.

In the news background, the government reported new-home sales fell 6.5 percent in July because of higher interest rates, but overall were up 70 percent from a year ago. IBM, which fell 4% last week in profit taking, rebounded 1% to 119. Among the other high-technology issues, Teledyne gained 2% to 159 1/4, Zenith Radio 2 1/2 to 32, Motorola 1 1/2 to 128 1/4 and National Semiconductor 1 1/2 to 51.

Not all shoppers think the administration request to make the policy permanent, is considered more likely to adopt another temporary waiver that would allow shippers to buy foreign ships and still receive an operating subsidy.

According to figures provided by the Shipbuilders Council of America, the current total volume of non-military shipbuilding in the United States is just under half a billion dollars, with only one new ship put on order for all of 1983. That compares with a Navy plan to spend more than \$90 billion in the next five years to build and repair ships in the United States.

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Dollar Advances On 'Hot Money'

United Press International

NEW YORK — The dollar advanced across the board Monday on an influx of "hot money" for government bonds at bargain prices and on increased corporate buying. European dealers said expectation of higher interest rates was the main stimulus.

In early New York trading the dollar hit 2.685 Deutsche marks, but it eased after the government announced the July trade deficit. It traded late Monday in New York at 2.6827 DM, up from 2.6782 Friday, and closed in Frankfurt at 2.6855 DM, up from 2.6693.

James McNulty, vice president at Chicago's Harris Bank, said "continued hot-money flows should push" the dollar to 2.75 DM. "Hot money" is uncommitted international funds that flow to the highest return.

Gamble 1 to 5 1/2%, Sears, Roebuck 3 1/2% and Union Carbide 1 1/2% to 6 1/2%.

Blue-chip Aluminum Co. of America, which Friday raised prices, rose 1% to 44 1/2.

Brazil Is Unable To Repay Loan Of \$400 Million

United Press International

BASEL — The Bank for International Settlements said on Monday that Brazil is unable to meet an Aug. 31 deadline for repaying a \$400-million bridge-loan installment. But the BIS said that "for the time being" it would not call the loan.

Brazil was scheduled to make the Aug. 31 payment on a \$4.45-billion bridging loan made last year by the BIS, the main clearing house for central banks of major industrialized countries.

A BIS statement said, however, that it was giving Brazil more time to reach an agreement with the International Monetary Fund.

Brazil missed a \$411-million payment to the BIS in May, and a \$400-million payment due in July was rolled over at the last minute when the IMF indicated that it would consider a waiver that would allow Brazil to receive disbursements of its credit from the fund even though the country has not been able to meet conditions for the loan.

But the Brazilian developments came last week, when Carlos Langoni, governor of Brazil's central bank, said an agreement in principle had been reached with the Club of Paris, representing a group of Western creditor nations, to reschedule \$1.6 billion worth of government-to-government debt maturing this year and next.

After meeting with officials in Paris, Mr. Langoni flew to Washington for discussions with Paul A. Volcker, chairman of the Federal Reserve Board, and R.T. McNamara, deputy secretary of the Treasury. Mr. Langoni then went to New York, where Brazil's bank advisory group held two days of meetings.

Following Mr. Langoni's Washington visit, reports circulated that the United States was arranging a new, short-term credit for Brazil. Treasury officials denied these rumors.

"A special package from the United States would not surprise me greatly," said William R. Cline, a senior fellow at the Institute for International Economics in Washington. "But the government would rather not come up with something before the IMF [financing] bill gets through Congress."

Banking sources say that by the middle of this week the debt-ridden country, which owes foreign creditors about \$90 billion, may sign a letter of intent with the International Monetary Fund agreeing to a new set of economic measures.

Massey-Ferguson Loss Narrowed in 2d Period

Compiled by Our Staff From Dispatches

TORONTO — Massey-Ferguson Ltd. reported Monday that its loss for the second quarter ended July 31 narrowed to \$11.3 million from a loss of \$87 million a year earlier.

Sales in the quarter slumped 23 percent to \$410 million from \$518 million a year earlier.

Its loss for the half narrowed to \$29.2 million from \$112.7 million on a 25-percent decline in sales to \$804.4 million from \$1,077 million.

The results include a number of extraordinary gains and losses in both periods.

Massey added that its major markets are likely to remain weak for the balance of the year.

The company, which in March completed its second major refinancing in as many years, said it is seeing increased benefits from its actions to reduce costs.

"We still cannot predict with confidence when recovery will begin," said Victor A. Rice, chairman and chief executive officer of the manufacturer of farm equipment, industrial machinery and engines.

Total assets at July 31 fell to \$1.7 billion from \$2.35 billion a year earlier.

CURRENCY RATES

Interbank exchange rates for Aug. 29, excluding bank service charges

	\$	£	DM	¥	₹	₱	₪	₦	₧	₡	₪	₪	₪
Australian	2.862	4.489	111.28	27.188	0.1877	137.72	21.87	5.589	137.72	21.87	5.589	137.72	21.87
Belgian (fr)	40.33	66.65	20.11	6.4795	3.3485	17.967	24.73	5.589	137.72	21.87	5.589	137.72	21.87
Canadian	2.862	4.489	111.28	27.188	0.1877	137.72	21.87	5.589	137.72	21.87	5.589	137.72	21.87
French (fr)	1.0000	2.9370	66.65	20.11	6.4795	3.3485	17.967	24.73	5.589	137.72	21.87	5.589	137.72
German (DM)	1.0000	2.9370	66.65	20.11	6.4795	3.3485	17.967	24.73	5.589	137.72	21.87	5.589	137.72
Italian	1.0000	2.9370	66.65	20.11	6.4795	3.3485	17.967	24.73	5.589	137.72	21.87	5.589	137.72
Japanese	1.0000	2.9370	66.65	20.11	6.4795	3.3485	17.967	24.73	5.589	137.72	21.87	5.589	137.72
New York	1.0000	2.9370	66.65	20.11	6.4795	3.3485	17.967	24.73	5.589	137.72	21.87	5.589	137.72
Swiss	1.0000	2.9370	66.65	20.11	6.4795	3.3485	17.967	24.73	5.589	137.72	21.87	5.589	137.72
U.K.	1.0000	2.9370	66.65	20.11	6.4795	3.3485	17.967	24.73	5.589	137.72	21.87	5.589	137.72
U.S.	1.0000	2.9370	66.65	20.11	6.4795	3.3485	17.967	24.73	5.589	137.72	21.87	5.589	137.72
West Germany	1.0000	2.9370	66.65	20.11	6.4795	3.3485	17.967	24.73	5.589	137.72	21.87	5.589	137.72

INTEREST RATES

Eurocurrency Deposits		Aug. 29	
	Rate	Rate	Rate
1 month	9 1/4%	9 1/4%	9 1/4%
3 months	9 1/2%	9 1/2%	9 1/2%
6 months	9 3/4%	9 3/4%	9 3/4%
1 year	10%	10%	10%

Key Money Rates

United States		Britain		France	
1-month T-bill	9 1/4%	9 1/4%	9 1/4%	9 1/4%	9 1/4%
3-month T-bill	9 1/2%	9 1/2%	9 1/2%	9 1/2%	9 1/2%
6-month T-bill	9 3/4%	9 3/4%	9 3/4%	9 3/4%	9 3/4%
1-year T-bill	10%	10%	10%	10%	10%

Gold Prices		Aug. 29	
	Price	Price	Price
1000 oz.	320.00	320.00	320.00
500 oz.	160.00	160.00	160.00
100 oz.	32.00	32.00	32.00

U.S. Abandoning Maritime Subsidies

WASHINGTON — Maritime subsidies, used for 47 years to help U.S. shippers compete internationally, are largely being abandoned by the Reagan administration, a policy that many industry officials say is costing U.S. jobs and could threaten commercial shipbuilding in the United States.

The administration says the subsidy program, which has provided more than \$10 billion since it began, is inefficient. Instead, U.S. companies have been given greater leeway to buy new ships from foreign yards, where cheaper labor and material costs, often with the help of government underwriting, put ships on the market for as little as one-third the cost of similar models built in the United States.

U.S. shippers have given lukewarm endorsement to the administration's build-foreign plan as the best alternative to the subsidy program, while U.S. shipbuilders have opposed it bitterly, saying it will make them entirely reliant on military contracts.

The apparent change in policy comes as the industry is desperately trying to find an affordable way to replace aging, unsafe ships and also reverse the decline in the U.S. share of the world shipping market.

At the Maritime Administration's request, no money has been spent in the past three years on construction subsidies. Harold E. Shear, a retired admiral named by President Ronald Reagan in 1981 to head the agency, contends that the subsidies are not only exorbitant, but also ineffective because the differential between U.S. and foreign costs is now above the statutory 50-percent limit.

Thus, even if the government gives a shipping company \$30 million to buy a \$60-million ship, the company still might be able to buy a similar model in South Korea or Brazil for only \$20 million.

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Monday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street

12 Month	High	Low	Stock	Chg.	Yld.	PE	100s	High	Low	Close	Chg.
200	200	199	IBM	1/2	11.3	15	100	100	100	100	0
100	100	99	AT&T	1/4	10.5	15	100	100	100	100	0
50	50	49	GE	1/8	10.0	15	100	100	100	100	0
25	25	24	Ford	1/16	9.5	15	100	100	100	100	0
10	10	9	Goldman Sachs	1/8	10.0	15	100	100	100	100	0

(Continued from Page 8)

Monday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street

12 Month	High	Low	Stock	Chg.	Yld.	PE	100s	High	Low	Close	Chg.
200	200	199	IBM	1/2	11.3	15	100	100	100	100	0
100	100	99	AT&T	1/4	10.5	15	100	100	100	100	0
50	50	49	GE	1/8	10.0	15	100	100	100	100	0
25	25	24	Ford	1/16	9.5	15	100	100	100	100	0
10	10	9	Goldman Sachs	1/8	10.0	15	100	100	100	100	0

U.S. Future Prices

Aug. 29

Open	High	Low	Settle	Chg.
100	100	99	100	0
50	50	49	50	0
25	25	24	25	0
10	10	9	10	0

Grains

Open	High	Low	Close	Chg.
100	100	99	100	0
50	50	49	50	0
25	25	24	25	0
10	10	9	10	0

Food

Open	High	Low	Close	Chg.
100	100	99	100	0
50	50	49	50	0
25	25	24	25	0
10	10	9	10	0

Metals

Open	High	Low	Close	Chg.
100	100	99	100	0
50	50	49	50	0
25	25	24	25	0
10	10	9	10	0

Livestock

Open	High	Low	Close	Chg.
100	100	99	100	0
50	50	49	50	0
25	25	24	25	0
10	10	9	10	0

Financial

Open	High	Low	Close	Chg.
100	100	99	100	0
50	50	49	50	0
25	25	24	25	0
10	10	9	10	0

Industrials

Open	High	Low	Close	Chg.
100	100	99	100	0
50	50	49	50	0
25	25	24	25	0
10	10	9	10	0

Stock Indexes

Open	High	Low	Close	Chg.
100	100	99	100	0
50	50	49	50	0
25	25	24	25	0
10	10	9	10	0

Commodity Indexes

Open	High	Low	Close	Chg.
100	100	99	100	0
50	50	49	50	0
25	25	24	25	0
10	10	9	10	0

AMEX High-Lows

NEW HIGHS	NEW LOWS
100	99
50	49
25	24
10	9

Paris Commodities

Aug. 29

High	Low	Close	Chg.
100	100	100	0
50	50	50	0
25	25	25	0
10	10	10	0

Dividends

Aug. 29

Company	Per Share	Pay Date
IBM	1.00	10-1-83
AT&T	0.75	10-1-83
GE	0.50	10-1-83
Ford	0.25	10-1-83

Petrex Says Oil Found

In Test Well Off Tunisia

ROME — Petrex, a subsidiary of the Italian state energy corporation ENI, said Monday that a consortium in which it holds a 15-percent stake has found oil 31 miles (50 kilometers) off Cape Bon, Tunisia.

Petrex said testing produced about 6,000 barrels a day of high-quality, light, low-sulphur crude. The other partners are Elf-Aquitaine Tunisia as operator, with 25 percent, and Murphy Oil Corp., Canam and Samedan, with 20 percent each.

Japan Vehicle Exports Rise

TOKYO — Japan's vehicle exports rose 2.6 percent to 506,393 in July from 493,761 a year earlier and 3.5 percent from 489,117 in June.

AMEX High-Lows

NEW HIGHS	NEW LOWS
100	99
50	49
25	24
10	9

AMEX High-Lows

NEW HIGHS	NEW LOWS
100	99
50	49
25	24
10	9

Thursdays

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News hot from the trading floor in

Edward Rohrbach's Wall Street Watch.

Herald Tribune

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AMEX High-Lows

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AMEX High-Lows

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AMEX High-Lows

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AMEX High-Lows

NEW HIGHS	NEW LOWS
100	99
50	49
25	24
10	9

BUSINESS BRIEFS

West Germany's Cost of Living Rose By 3% in August From a Year Earlier

WIESBADEN, West Germany (Reuters) — West Germany's cost of living in the month to mid-August rose 3 percent from a year earlier, the statistics office said Monday.

The cost of living had risen 2.5 percent in July from a year earlier and 2.4 percent in June.

The cost of living in August increased 0.3 percent from mid-July, the statistics office said, after rising 0.4 percent from the previous month.

Economists in Frankfurt cited the delayed effect of a one-percentage-point rise in the value-added tax in July and gasoline-price increases for the jump in the inflation rate.

French Retail Prices Climb by 0.9%

PARIS (Reuters) — French retail prices in July were up 0.9 percent from a year earlier, the Statistics Institute said Monday. In June, prices rose 0.8 percent from a year earlier.

Prices were up 0.9 percent from the June level, after a 0.6 percent rise in June from May.

Morocco Oil-Financing Plan Founders

BAHRAIN (Reuters) — A credit package to finance Moroccan oil imports has foundered and banking sources said some banks pulled out because of Morocco's announcement of plans to reschedule medium- and long-term debt.

A signing ceremony planned on Friday in Casablanca for the \$200-million, one-year refinancing facility was canceled after some of the 25 international banks involved withdrew, they said.

The state oil company, Marocaine de l'Industrie de Raffinage, was to have received refinancing for 90-day letters of credit for a further 180 days at 5 percent over the London interbank offered rate, the sources said.

Toyota Is to Halt Assembly in Ireland

OSAKA (Reuters) — Toyota Motor Corp. said it would halt assembly of its small cars in Ireland soon.

Toyota's chairman, Eiichi Toyoda, told a press conference Monday that Toyota would switch to export shipments of assembled cars from Japan.

Car production at its Irish subsidiary, Toyota (Ireland) Ltd. of Dublin, started 10 years ago. The Irish unit produced 2,800 cars in 1982.

Ford Chief Speaks on GM-Toyota Plan

WASHINGTON (UPI) — The proposed joint-production venture of General Motors Corp. and Toyota Motor Corp. could lead to a rewriting of U.S. antitrust laws, Ford Motor Co. chairman, Philip Caldwell, said in an interview.

Mr. Caldwell said in an interview on U.S. television Sunday that while he approved "of the idea of cooperation" between companies, "there are special circumstances in the GM-Toyota situation which I think puts to the test all of our past interpretations of the antitrust laws." Mr. Caldwell apparently was referring to GM and Toyota's plans to build small cars at an idle GM plant in Fremont, California.

GM, which is the world's largest automaker, and Toyota, which is the world's third largest, between them had more than 50 percent of the new-car market last year, Mr. Caldwell said.

EC Says Industrial Confidence Is Up

BRUSSELS (Reuters) — Industrialists have reported rising confidence in business prospects in the European Community, but still high borrowing costs have dampened some of their optimism, the European Commission said Monday.

Industrialists polled across the 10 nations have been more optimistic about business prospects in every month since last September, the commission said.

But while rising confidence in the first four months of 1983 suggested a recovery from recession might be under way, the commission's latest survey in June showed some anxiety among industrialists.

The commission reported disappointed hopes in June of lower interest rates on both sides of the Atlantic, while falling consumer confidence in some countries also explained the slower rise in optimism about economic prospects.

Gulf, Kaiser Aluminum Plan Venture

PITTSBURGH (AP) — Gulf Oil Corp. and Kaiser Aluminum & Chemical Corp. said Monday they have entered into an agreement to form a specialty-chemicals partnership.

Terms and conditions of the agreement were not disclosed, but the transaction was expected to be completed by October.

The parties in the partnership are Gulf's Harshaw Chemical Co., based in Cleveland, and Kaiser's Filtril Corp., based in Los Angeles.

Combined annual sales of the new partnership are expected to be \$300 million a year.

Industrial Policy Faulted For Its Lack of Analysis

By Karen W. Arenson

New York Times Service

JACKSON HOLE, Wyoming

Industrial policy, the notion of

developing government policies to

particular industries, drew fire

from several noted economists here

at a three-day symposium on

industrial change and public policy.

For the most part, the economists

stressed the need for a looser

monetary policy and a tighter fiscal

policy, which they said would go

far toward easing most of the

problems of the economy.

"A lot of the motivation for industrial

policy won't be there if

monetary and fiscal policy do their

job," said James Tobin, a Yale Uni-

versity professor and a winner of

the Nobel Memorial Prize in Eco-

nomics Science.

The symposium, which was

sponsored by the Federal Reserve

Bank of Kansas City, included

some 80 participants from labor

and management, Wall Street, gov-

ernment and academia. Particip-

ants discussed the structural

problems that will trouble the U.S.

economy even after the recession

fades, and possible remedies.

The dissenting economists did,

however, agree with industrial-policy

advocates that the economy

will face severe problems after

a recovery. Problem areas dis-

cussed here last week included

displaced workers, slow growth, in-

sufficient research and development

and world trade and foreign-ex-

change markets.

Despite this catalog of ills, many

of the economists still explicitly

rejected the industrial-policy ap-

proach, at least as it was outlined

by such leading proponents as Fe-

lix G. Rohatyn, Robert Reich and

Lester Thurow.

Typically, the proponents of industrial

policy see the need for

government and private investment

banks and other programs directly

aimed at nurturing particular in-

dustries; critics at the conference

dismissed the concept as "Popo-

gism," and the "Democratic version

of supply-side economics."

"At best, it would be ineffectual,

and at worst, wrenching," said

Lawrence Summers, a Harvard

economics professor who recently

completed a year as a staff econo-

mist with the Council of Economic

Advisers.

"This new form of supply-side

economics is potentially more dan-

gerous than the old," he said, "if

the government undertakes a more

extensive role in the allocation

of capital, it is almost inconceivable

that the government will give up

the role. There is a much greater

irreversibility with respect to industrial

policy."

What the economists appear to

find most distasteful about the in-

dustrial-policy approach is that it

lacks a rigorous analytical base that

shows statistically what the sources

of the economy's problems actually

are, and what remedies will deal

specifically with those areas.

"The reason that industrial policy

is not justified is that there are

a lack of clear linkages between the

actual causes of the industrial de-

terioration and the intervention be-

ing suggested," said Jerry J. Jasni-

owski, chief economist for the

National Association of Manufac-

turers.

Paul R. Krugman, an economics

professor at the Massachusetts In-

stitute of Technology, and a former

senior staff economist for the

Council of Economic Advisers un-

der President Ronald Reagan, not-

ed, for example, that although the

Japanese had promoted their steel

industry, most studies describe the

problem, but do not really show an

improvement that could be attrib-

uted to the government promotion.

Although many of the econo-

mists rejected industrial policy per

se, a number of them did suggest

that, in addition to monetary and

fiscal policies, there should be

supplementary policies, such as

labor retraining programs or support

for research and development, to

deal with some of the economy's

continuing problems.

For example, Michael L.

Wachter, an economics professor

Rating British Share Analysts

Advisers to Big Investors Brace for Bank's Survey

By Bob Hagerly

International Herald Tribune

LONDON — All year long share analysts churn out pronouncements on companies and industries. This week analysts are awaiting the annual judgment of their own work.

On Thursday, Continental Illinois International Investment, a unit of the Chicago-based bank, announces the results of its 10th annual survey of British analysts' performance as judged by pension funds, banks, insurance companies and other institutions.

Few analysts admit that the results matter much. On the other hand, says one, so many analysts ask their institutional friends to lunch at survey time that "you're lucky to find a table."

The rankings are dominated by analysts from stockbrokerage firms with big research budgets, led by James Capel & Co., Scrimgeour Kemp-Gee & Co. and Phillips & Drew. But even such lesser-known firms as Vivian Gray & Co. and Kitcat & Aitken manage to stand out in one or two of the 56 categories.

That an U.S.-owned bank should produce the survey is a coincidence, Continental says.

In 1974, an Englishman named Geoffrey Osmint joined the bank, partly to set up an investment management unit, after working for a brokerage and an investment bank in London. He began calling up his old friends to discuss which analysts were most reliable.

What started out as an informal project grew each year to involve more respondents. Last year, 93 institutions filled out the forms.

Continental says it encourages Mr. Osmint to pursue the project, partly because it attracts free publicity. Besides, says Mr. Osmint, the bank wants the information for itself, and the survey pays its own way. This year, brokers and other interested parties will pay £100 (about \$150) for the survey. Free copies go to respondents as well as some journalists and academics.

Mr. Osmint began his project two years after Institutional Investor started publishing its annual survey on U.S. analysts. The U.S. magazine calls its winners the "All-American Research Team" and depicts them in football uniforms.

No such hoopla attends the plain white reports from Continental. Mr. Osmint never asks Gordon Pepper, the guru of British government bonds, to pose in a cricket uniform.

If they cannot accuse Continental of hype, however, analysts manage to find other criticism. For



Geoffrey Osmint

one thing, they complain, one person at an institution might fill out the whole survey instead of passing it around to the institution's specialists in each area. Mr. Osmint concedes that there is no guarantee but says the surveys tend to be filled out by the right people.

Some analysts also grumble that a small firm might master a niche but be unable to attract the attention of many institutions.

For their part, some institutions deny that they are swayed by the results. "We have our own opinions," says Trevor Pullen, equities director at the portfolio-management unit of Prudential Corp., Britain's biggest investor.

In any case, the survey serves as a bargaining chip for analysts. Coming out on top may not prove an analyst's worth, says Kevin Cunnack, who monitors industrial holding companies for Buckmaster & Moore, but "it's bloody good news when it comes to salary time."

An analyst below the rank of partner who heads a research team in a fashionable sector, such as electronics, is likely to earn a salary and bonus totaling £30,000 to £55,000 (\$45,000 to \$83,000) a year, estimates Stephens Selection, an executive-search firm. An analyst midway down the list would be likely to earn £15,000 to £30,000.

Along with salaries, Mr. Osmint says, the survey has raised the status of analysts in general. "I think some stockbrokers discovered that lurking in the back room was someone that they hadn't thought much of," he says.

U.K. Braces for a Possible Showdown Between MacGregor and Coal Miners

(Continued from Page 9)

his direction, will step up closings of money-losing mines and reduce the coal force in the process.

"Miners will have to take direct

action if we are to save our industry,

our jobs, our self-respect and

dignity," Mr. Scargill said at his

union's annual convention last

month.

The wild card in any assessment

of whether Mr. Scargill's exhorta-

tion will be heeded is the miner, a

man who would be hardly recog-

nizable to previous generations

and he has taken his shower at the

end of the shift. Before the big coal

strikes of 1972 and 1974, he earned

the equivalent of \$38 a week at

today's exchange rate, while the av-

erage national wage was \$40. Now

he is among Britain's best-paid

workers, earning the equivalent of

\$272 a week, including overtime,

while the national average is \$198,

according to government statistics.

Michael McGahy, head of the

Scottish miners and vice chairman

of the union, believes the union's

problem is not with the young min-

ers, who need a secure job to sup-

port mortgages, but with older

miners inclined to accept large se-

verance payments when their mines

are shut.

So far, the Coal Board has been

able to prevent a full-scale strike by

approaching closures with what

those in Britain's Northeast call the

"softly, softly, capture the mon-

ey" approach. Whether Mr. Mac-

Gregor can step up the closings, as

he is expected to do, without driv-

ing the miners into a strike is the

looming question.

Mr. MacGregor, like Mr. Scargill

a stocky, short man, is considered

as intense about his work as the

union leader. Analysts say Mr.

MacGregor is being counted on by

the Thatcher government to do

more than simply close unprofit-

able mines, a process that has

brought the number of deep mines

and open-pit operations to 184 this

month, from 223 at the beginning

of 1979.

He also must get his 200,000 em-

ployees — there were nearly

235,000 at the start of the Thatcher

government in 1979 — to settle for

a lower wage increase in contrast

to the 10 percent rise they might

expect. The average union pay set-

tlement for all British industries has

been about 6 percent this year,

slightly above the inflation rate.

Another challenge for Mr. Mac-

Gregor, according to analysts, is

gaining worker agreement to use

advanced equipment in the mines,

including computer-controlled

mining, that will result in higher

production with fewer workers.

Many industry observers say he

is also expected to look for oppor-

unities to reorganize the Coal

Board into more autonomous units

that might someday be sold to pri-

vate investors as part of Mrs.

Thatcher's denationalization pro-

gram.

If there is a confrontation this

autumn, perhaps during the con-

tract talks, its impact is bound to

be felt far beyond the coal industry.

ART BUCHWALD

Baseball's New Sluggers

WASHINGTON—All I know about baseball is what I see on television. And the only thing they show on the news about baseball is managers and players pouring out of the dugouts, slugging each other over some question concerning an umpire's call. Baseball owners are now aware that the fans expect at least one good fight on the field or they don't feel they got their money's worth.

It is for this reason that owners have changed their thinking about the type of baseball managers they must hire for their teams.

"Corky, I'm going to have to let you go."

"Why, Mr. Stillwater? The club is in first place in our division, and we've never been playing better ball."

"Have you seen the attendance records for our last 28 games? We haven't filled half the park. Do you know why? Our team doesn't have the fighting spirit."

"How can you say that, Mr. Stillwater? Morale has never been higher and the players are determined to get to the World Series."

"I'm not talking about that kind of fighting spirit. I'm talking about the kind that sells tickets. When was the last time one of the infielders tried to deck a pitcher from the opposing team?"

"I don't approve of that kind of stuff, Mr. Stillwater."

"It's obvious you're not. And that's the reason we're getting such poor gates. I have attended every home game and not once have I seen one of our outfielders throw his bat at a first baseman after he struck out."

"If he did that he could be tossed out of the game."

"Why the sudden decision to fire me now?"

"I decided you just couldn't hack it when George Brett had pine tar up to the top of his bat, and you didn't say a word about it."

"We tossed him out at third base."

"Yeh, but not one station carried us on the evening news. Let me give you some advice, Corky. If all you have done fund-raising and other activities for Italian terrorist groups."

Art Brightens Times Square Billboard

By Michael Winecup

NEW YORK—There would be no art if the artist and the computer man could not come to an understanding. The first time Howardine Fendell carried her sketches to Curtis King, the programmer of an electronic billboard in Times Square, nothing was resolved.

Fendell dreamed of turning the Eiffel Tower into an arching missile. King said, "That is very impossible."

She had plans to tilt the Statue of Liberty and disintegrate it. King said, "Oh my God."

She was going to superimpose demons over an atomic explosion. King said, "I doubt it'll work."

"I was somewhat dismayed," is how King remembers the first meeting with his artist for August. But if the meetings between artist and computer man inevitably seem to begin in this manner, by the middle of the month, somehow there is always a new piece of electronic art for Times Square.

The Public Art Fund has appropriated \$40,000 during the past two years and recruited 24 artists to insure it to be. Spectator Inc. has donated its 20-by-40-foot electronic billboard and, equally important, it has donated King, the computer programmer with an artist's resolve.

And so, from the 15th to the 18th of each month, for 35 seconds every 20 minutes, sandwiched between advertisements for Hipopotamus Shoes and the United Jewish Appeal, for the Internal Revenue Service and the Rainbow Room, right smack in the heart of Times Square, there is art.

"Yes, I have lots of calls about it," said Jessica Cusick, project director of the fund. "One cabdriver told us he gets all these German tourists who ask to be taken to Times Square to see the electronic art. I don't know why Germans."

It is considered one of the fund's most successful programs. The nonprofit organization sponsors 20 projects in public places throughout the city.

You cannot get much more public, Cusick said, than a 20-foot-high sign in the middle of Times Square that a million people see every day.

Usually, about a month before the artists are due up in lights, they pay King a visit in his computer room, behind the electronic billboard. They often look a bit uneasy, like chickens invited to a barbecue.

King, a graphic artist in his own right, tries to calm their fears. He tells them he is there to help them bridge the gap between his computer and their art medium. He tells them not to worry, it always turns out in the end. He tells them the computer is their friend and demonstrates a few electronic commands for them.

He remembers them all, their original, grandiose plans, and their more humble final



Part of the current computer-programmed art display on Times Square.

versions, scaled down to meet the limits of electronic lightbulb art.

Edgar Heap of Birds, whose specialty is Indian art, walked into Times Square with plans for an elaborate abstract image that receded to reveal a written message. In the end, he feared the image would obscure the message, and he dumped the image. "I thought his words had a nice rhythm to them," King said.

Bill Sullivan wanted to do something with street dancing. His first drawings were cluttered with street scenes. Characters even had buttons on their shirts. King tried to break the news gently. "I told him with so much stuff in the background, the people wouldn't show up on the sign," he said. "I told him the resolution wasn't precise enough for buttons."

Pindell, an associate professor of art at the State University of New York College at Stony Brook, who has had works exhibited at the Metropolitan Museum of Art, the Whitney Museum of American Art and the Museum of Modern Art, met regularly with the computer man beginning early last month. She had sketched drawings for an antiwar theme that started with an image of a Japanese warrior and ended with a mushroom cloud.

There were many problems. First, it was too long for the 35-second format. This was a new problem for Pindell. Painters are not used to being edited for time.

Nor could she get her explosion the way she wanted it. The first version was too colorful.

"I want it to look atomic," she explained to King. "But I don't want it to look too pretty." King sympathized. He knew how trying explosions could be. "That's a problem," he

said. "It's hard to make explosions look like bad things."

Johnny (Crash) Matos, a subway graffiti artist, had been easier on this point. He was willing to go along with a train explosion filled with bright colors and flying debris in reds and blues. However, King takes artists on their own terms, and he was dissatisfied enough not to mention Matos to Pindell, who was firm about removing the color from her explosion.

The computer man pressed the UNLOCK key and then the RED key, and all the red was gone.

"Oh, oh, oh," Pindell said.

The computer flashed the words, "Which file?" King typed, "MUSH," and the image of the mushroom cloud popped on the screen in black and white, green and blue.

"Ooo, ooo, ooo," Pindell said. But she was still not satisfied with her explosion. For an hour and a half the two creators went back and forth, discussing how much color a good explosion needed. If it needed any at all, it was on the image on the screen. "Actually, it doesn't bother me like that," she said.

But King could tell it really did. "The way it is right there," he asked. Pindell conceded she was just being kind, and they began experimenting again.

Then, at the darkest moment, by accident, King pressed a button that interchanged the black-and-white version of the explosion with its negative image.

"That's it," the artist said.

"That's it," the computer man said. And it was.

The work was ready right on time for its Aug. 15 debut, as King had promised.

PEOPLE

'Go' Film Wins Honors

"The Go Masters," the first Chinese-Japanese co-production ever made, was awarded the Grand Prize of the Americas Sunday as the best film in official competition in the seventh Montreal World Film Festival.

Made to commemorate the 10th anniversary of the restoration of Chinese-Japanese relations, was directed by China's Duan Ji-Shan and Japan's Junya Sato. The film is about an epic game of Go that is being played between Chinese and Japanese champions. The game is interrupted by war, marriage and separations but is finally finished 30 years later. The prize for best actress went to Yuko Tanaka for her role as the prostitute Hanna in the Japanese film "Amagi Pass."

The best-actor award was shared by Gerard Depardieu of France, for his portrayal of the French revolutionary leader Danton, and the Polish actor Wojciech Pszoniak for his performance as Robespierre. Both appeared in the movie "Danton," a French-Polish co-production directed by Poland's Andrzej Wajda.

Truman Capote was found guilty on two counts — of drunken driving and wearing slippers in court. Capote, who pleaded guilty on a drunken driving charge in 1976, again pleaded guilty in Southampton, New York. Town Judge Merston Kamnick scolded him for his casual attire and told him he can never again drive a vehicle in New York State. Capote faces a \$500 fine and a year in jail when he is sentenced on Oct. 27.

"The Exorcist" author William Blatty filed a \$14-million suit against The New York Times, claiming the newspaper has damaged sales of his new book by negligently leaving it off its best-seller list. The suit, filed in Superior Court in Santa Monica, California, charges that enough copies of "Legion," published by Simon & Schuster, have been sold to warrant its inclusion on the list, published every week. The suit argues that "Legion," which also deals with the occult and features several characters from "The Exorcist," has appeared on the best-seller lists of other publications, including Publishers Weekly, Time, the Chicago Tribune and the Los Angeles

Times. A New York Times spokesman, Elliot Sanger, said the newspaper's policy was not to comment on pending litigation.

The Rolling Stones' lead singer Mick Jagger is about to become a father for the second time and is "absolutely delighted" at the prospect, says a member of the band, Jagger's girlfriend, model Jenni Hall, is about four months pregnant. The Stones' guitarist Ron Wood told the New York Post, Jagger, 40, already has a daughter, Jade, from his marriage to Bianca Jagger.

Jeanne Kirkpatrick, U.S. ambassador to the United Nations, who angrily canceled a speech at the University of California at Berkeley after being heckled in February, has been invited to return. A faculty group called Project on Alternatives to the Cold War hopes Kirkpatrick will speak at a Nov. 3 program on Central America. It would also include Interior Minister Tomas Borge Martinez of Nicaragua. If Kirkpatrick can't come, "We are hoping that she will send someone else who can present the administration positions," Parva Varsha, head of the faculty group, said. Kirkpatrick was booed during a human rights speech at the Berkeley campus in February and canceled a speech the next day.

The youngest pilot in the United States is a 9-year-old girl who said she felt "sort of like a bird" when she took off in an ultralight airplane. The new titleholder is Shana McDaniel, a California fifth-grader who set the new age record when she circled the parking lot at a raceway in Bakersfield, California. Her flying instructor, Jerry Freer of Bakersfield, says the record previously held by a 10-year-old Kansas boy, Freer said minors under 16 are forbidden to fly regular aircraft but the ultralights do not have the Federal Aviation Administration's age limit, so he agreed to help Shana. Shana, who circled the parking lot at an altitude of about 20 feet, said she got her inspiration for flying from her grandfather. Paul Van Riesen, a private plane pilot who lives in Texas. Van Riesen bought his granddaughter a \$4,500 ultralight plane and paid for her 22 hours of flight instruction.

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